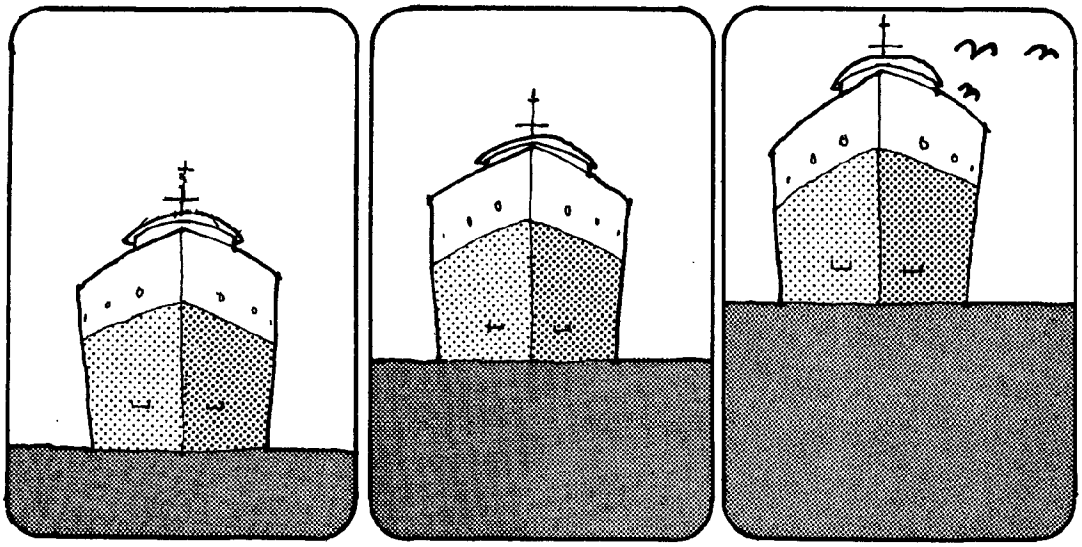

coastal area management plan

sault ste. marie, michigan

A plan for the Economic Development of the Sault Ste. Marie Coastal Area

Ayres, Lewis, Norris & May, Inc.
Engineers · Architects · Planners

COASTAL AREA MANAGEMENT PLAN
SAULT STE. MARIE, MICHIGAN

Prepared by the
City of Sault Ste. Marie

and

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Approved for publication by the
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SAULT STE. MARIE
COASTAL AREA MANAGEMENT PLAN
PLAN SUMMARY

The overall purpose of the Coastal Area Management Plan is to determine the suitability of the coastal area for economic development and to prepare development plans with specific action programs. The Plan consists of three sections: Coastal Area Profile; Development Potential, Suitability and Options; and the Coastal Area Management Plan.

The Coastal Area Profile presents an inventory and analysis of economic conditions, natural resources, physical resources, and institutional considerations. Development Potential, Suitability and Options is an evaluation of the coastal area potential and suitability for industrial, waterfront commercial and service, and commercial tourism development. Alternative development options are formulated and economic and environmental opportunities and constraints are evaluated.

The Coastal Area Management Plan is based upon the coastal area profile, site suitability, and development potential and options. It is intended to establish a common direction and broad framework for coastal area development and includes three components: Development Goals and Objectives; Development Plan; and Implementation Strategies.

The following summarizes the significant findings and recommendations of the Coastal Area Management Plan:

Development Goals and Objectives

The overall goal of Sault Ste. Marie's coastal area development efforts is to best utilize coastal resources so as to provide employment and income for city residents and to stimulate investment in the coastal area and surrounding region. This goal is tempered by the fact that the coastal area can contribute to the satisfaction of other important needs of city residents, such as enhanced recreational opportunity and accessibility to the waterfront.

Development Plan

The Development Plan recommends the most appropriate uses of coastal land and water uses. The recommended uses are based upon site development suitability and selection of development options. The following is a brief summary:

1.) The Algonquin Area represents a desirable waterfront location for industrial development. The Plan calls for a mixture of light and heavy industry.

2.) The Plan for the West Island Area calls for a mixed use concept of containing light industrial areas, redevelopment of housing areas, promotion of commercial/tourism activities, and the provision of waterfront recreation.

3.) The Portage Avenue Area contains most of Sault Ste. Marie's tourist attractions, commercial/tourist activities, and historical resources. Development planning should promote the enhancement of this area as a tourist/commercial complex through: historic restoration, parking and circulation improvements, commercial and storefront renovation, improved tourist services and interpretive facilities, and the location of a hotel/motel complex.

4.) The Harbor Area is the prime area in Sault Ste. Marie for waterfront accessibility. The planning concept for the area is development of waterfront service and commercial activities. Only uses requiring waterfront proximity and accessibility are to be promoted in this area. Further, due to location, surrounding land use, and visual consideration, the location of heavy industry should not be considered.

Implementation Strategies

Specific implementation strategies are proposed to transform the plan from a static to a dynamic document. Strategies are categorized by General, Industrial Development, Tourist/Commercial Development, Waterfront Service and Commercial, and Waterfront Recreation. A description of each project or program is given along with an indication of timing, estimated cost and sources of funding.

The following summarizes the significant Implementation Strategies recommended:

General

1.) It is recommended that economic and community development activities be better coordinated. This would increase the capability to coordinate and package financial resources, improve communication to the City Administration and Commission, and better promote the total attributes of the community.

Industrial Development

1.) Industrial development should concentrate on the Algonquin Area with expansion of the existing Industrial Park north of Easterday. Further, the City must attempt to encourage the development of the Algoma Steel property through cooperative action.

2.) A broadly based industrial development program is outlined enlisting support from community volunteers, concentrating on industries with growth potential, and pursuing an aggressive advertising and promotion program.

Tourist/Commercial Development

1.) Physical improvements are recommended in the Portage Avenue Area to enhance commercial/ tourist potential. Projects include the development of a Park Place pedestrian corridor, construction of parking facilities, extension of Eureka Street with Portage Avenue to improve access to I-75, location of a Tourist Information and Service Center at the corner of Ashmun and Portage, and redevelopment of Portage Avenue.

2.) A tourist promotion program is outlined consisting of improved information, increased advertising and a self-improvement hospitality program.

3.) A feasibility study of a possible hotel/motel complex located in the downtown area is recommended to be conducted by City Staff in conjunction with the Chamber of Commerce.

Waterfront Service and Commercial

1.) The creation of a Port Authority under the Port Authority Act is an initial step in establishing the feasiblity of port development. Through a Port Authority more detailed study can be initiated.

2.) The potential success of ship servicing and repair looks encouraging. Although skills are available, technical assistance is recommended to improve marketing so that business can be expanded.

Waterfront Recreation

1.) There is a need for increased waterfront recreation. The Mid-Town Marina (Old Coast Guard Station) and Ashmun Bay Park are recommended as high development priorities.

1

Introduction

INTRODUCTION

PURPOSE

In response to the growing recognition of the value of our Nation's coastal resources, Congress passed the Coastal Zone Management Act (P.L. 92-583) in 1972. The State of Michigan, through the offices of the Department of Natural Resources, chose to participate in the Coastal Zone Management Program by developing a State program promoting the protection, conservation and wise utilization of Michigan's vast coastal resources. With the Coastal Zone Management Program now in the implementation phase, the Department of Natural Resources is encouraging and funding the development of local plans and projects which foster the proper use of coastal resources.

In an effort to mitigate a declining economic base and enhance the coastal area for economic development, the City of Sault Ste. Marie sought and received funding assistance from the Department of Natural Resources to prepare a Coastal Area Management Plan. The scope of the Plan is as follows:

1. To identify coastal area issues and opportunities and institutional factors affecting economic and community development, resource management, and land and water use.

2. To prepare a comprehensive inventory and analysis of coastal area natural, physical and economic resources.

3. To determine the suitability of the coastal area for economic development, placing special emphasis on the Algonquin area for industrial development.

4. To prepare coastal area development plans with specific action programs and policies to implement the overall goal of economic development of the coastal area.

STUDY AREA

The most striking feature of the Sault Ste. Marie coastal area is the extensive, shoreline and the variety of land and water uses. Considering the vastness of the coastal area, study area boundaries were more narrowly defined, as illustrated in Figure 1. To further focus study efforts, four primary study areas having the greatest economic development potential were delineated. Primary study areas include:

1. Algonquin Area
2. West Island Area
3. Portage Avenue Area
4. Harbor Area

STUDY ORGANIZATION AND PROCESS

The Study is organized into three major sections: Coastal Area Profile; Development Potential, Suitability and Options; and, Coastal Area Management Plan. These Sections also represent the sequential steps followed in the study process. Throughout the course of the study, the input of concerned segments of the Community was actively sought. Interviews were conducted with City Staff, Planning Commission members, IEDC representatives, Chamber of Commerce representatives, EUPRPDC staff County EDC staff, local banking officials, utility officials, Lake Superior State College faculty members and coastal area business interests. Several draft components of the Study were submitted to Community Development Department staff for review and comment. Following the preparation of preliminary development options, a workshop was held with various community leaders to seek their input.

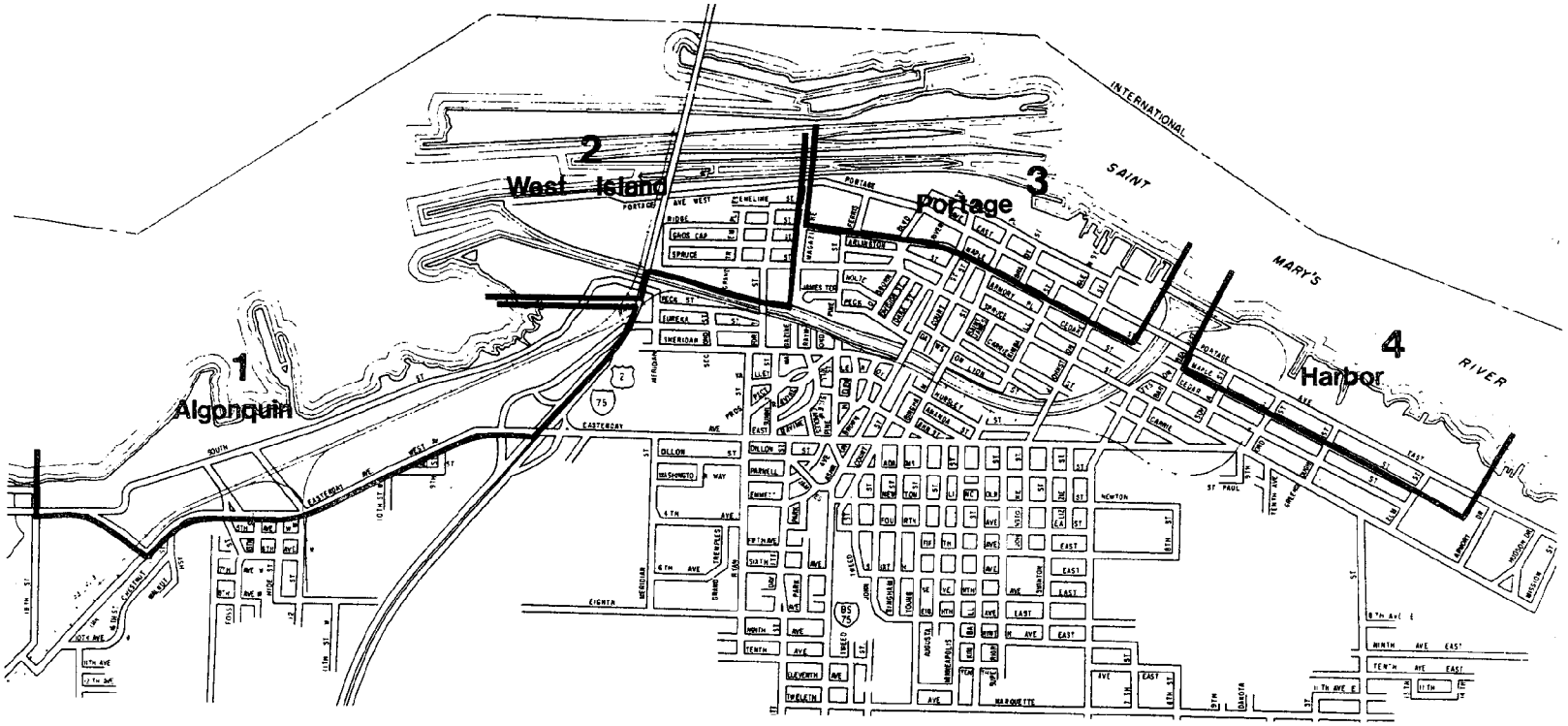

Fig. 1

STUDY AREAS

Coastal Area Management Plan – Sault Ste. Marie, Michigan

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engineers architects planners

2

Coastal Area Profile

COASTAL AREA PROFILE

In order to gain an understanding of the coastal area and components of the City, County and region impacting on the coastal area, an inventory and analysis of economic conditions, natural resources, physical resources and institutional considerations was conducted. Numerous reports have been prepared in the past thoroughly documenting each of the above mentioned subjects. It is the purpose of this Section to utilize and summarize previously published information rather than collect new data.

ECONOMIC CONDITIONS

Although the primary focus of this study is the coastal area defined within the City of Sault Ste. Marie, much of the economic data is collected for the Sault Ste. Marie Labor Market Area.[1] The Labor Market Area, as defined by the Michigan Employment Security Commission, includes Sault Ste. Marie and all of Chippewa County. Sault Ste. Marie and the surrounding Labor Market Area is the largest population and economic center in the Eastern Upper Peninsula.

POPULATION

The City of Sault Ste. Marie is the core of the Labor Market Area. As the population center, the City will continue to contain a large proportion of the population in the Labor Market Area. The closing of Kincheloe Air Force Base was estimated to cause an 8% decline in population in the City and a 25% decline in Chippewa County. The following projections, reflecting the loss of Kincheloe Air Force Base, substantiate this fact.

Figure 2

POPULATION PROJECTIONS

	1960	1970	1975	1980	1990	2000
Chippewa Co.	32,655	32,412	35,138	25,764	27,568	29,155
Sault Ste. Marie	18,722	15,136	16,284	14,533	15,080	15,445

Source: Overall Economic Development Program, EUPRPDC, 1977

EMPLOYMENT

The City and Labor Market Area are largely dependent upon governmental employment as the economic base. Public employment accounts for over 40% of total employment in the Labor Market Area while manufacturing accounts for less than 5%.

Major public employers include the Lake Superior State College, Eastern Upper Peninsula Transportation Authority, State Medium Security Prison Army Corps of Engineers and the City of Sault Ste. Marie. The Soo Locks are the most well known feature in the City. As a tourist attraction, they are a major economic factor. Employment at the Locks is in the vicinity of 250 and is declining as labor saving improvements are made. At this time, the volume of shipping through the Locks is of little economic consequence to the City.

The area has not shared America's economic growth during the past twenty years. For Chippewa County and Sault Ste. Marie, these have been years of high unemployment in the face of a succession of economic shocks, including the loss of the manufacturing economy during the 1950's and early 1960's, and the elimination of Kincheloe Air Force Base in 1977.

Michigan Employment Security Commission data seems to indicate the full impact of the closure of Kincheloe Air Force Base has not yet hit the community. Between 1970 and 1975, the average annual Labor Market Area unemployment rate was nearly 14%, over three times the national averages. Average annual unemployment increased from 18.4% in 1977, to an estimated 24% in 1978, subsequent to the closure of Kincheloe. The civilian labor force in 1978 was estimated to be 12,500 persons with 2,900 persons unemployed.

There is some feeling that the loss of Essex Manufacturing has had a more drastic effect on the local economy. Throughout 1977 durable goods industry employment in the Labor Market Area remained steady, at about 275. By July 1978, 325 persons were employed in durable goods industries. By December, 1978, after the loss of Essex, employment in this sector dropped to 125.

The current unemployment rate, high as it is, is substantially lower than the 32% to 40% range predicted in the various Kincheloe impact studies. One possible explanation for this discrepancy is the large number of CETA jobs allocated for the area, specifically, to mitigate the impact of the base closure. One source indicated that 600 CETA slots were added to the unemployment data; without these, the

unemployment rate would immediately increase five percentage points. Termination of the CETA program and subsequent loss of disposable income throughout the local economy, would certainly adversely effect retail sales. The earlier projection of a 32% to 40% unemployment rate could be all too true.

INDUSTRIAL TRENDS

During the 1950's and 1960's the City lost its industrial base. Obsolete industrial plants, changing market conditions, and efficiencies of scale were factors contributing to this loss. These factors were shared by many Michigan communities. However, the isolation of Sault Ste. Marie from industrial markets and resultant high transportation costs discouraged necessary modernization and local reinvestment. It was more cost effective to make these investments in locations more central to an industry's customers.

More recently, Sault Ste. Marie has been successful in attracting smaller scale light industry. The area has a substantial supply of available unskilled and semi-skilled labor. The labor supply has been characterized as exceptionally trainable and reliable. Several of the more successful firms produce small, light products which require a high labor input, but low transportation volumes. One firm even sends its daily production by United Parcel Service. These firms are able to utilize the assets of the community, without being highly effected by its liabilities.

The industrial park program has been a major contribution to the growth in light industry The Industrial Park occupies about 63 acres and is nearly full. The Essex Building of 52,000 square feet is vacant and available. A new shell building of 21,000 square feet is available for immediate sale, lease or rental. The industrial incubator building is fully occupied. The Foreign Trade Zone curently has one building which is in full use.

An inventory of existing and industrial land and buildings was conducted using information from manufacturer and industrial directories and the Michigan

Department of Commerce. It is estimated that there is currently 115,000 square feet of building space devoted to manufacturing in Chippewa County. The predominance of vacant buildings are located at Kincheloe with over 500,000 square feet available. Available vacant building space in Sault Ste Marie consists primarily of the Essex and Shell buildings in the Industrial Park. The Municipal Airport has 573 acres of vacant land with two buildings of 3,000 square feet each. The Airport Reuse Plan calls for 85 acres as light industry and 65 acres as light industry/community facilities/transportation center. The other major area of vacant industrial land is Algonquin with approximately 100 acres.

COMMERCIAL TRENDS

Retail trade and services is the second largest sector in the area's economy. Principally this sector is dependent on government, tourism, and seasonal residents. Future growth in this sector will be dependent upon growth in other sectors of the economy.

The business districts of Sault Ste. Marie are fragmented into the Ashmun Street and Portage Avenue areas. The areas have not aligned for sales, promotion or other common interests. The Ashmun Street Business District is composed of two and three story buildings. The area has undergone extensive renewal with street reconstruction, landscaping, new sidewalks, plantings, new lighting and vest-pocket parks. The Portage Avenue Business District consists of retail establishments catering primarily to the tourist trade.

Commercial activity in Sault Ste. Marie has been substantially affected by the loss of Kincheloe Air Force Base and Essex. It has been estimated that retail sales are down by at least 30%. Retail activity is directly linked to tourism, as evidenced by the 20% to 30% increase in commercial bank deposits during the summer months.

In the past several years, as a direct result of job losses, a decrease in the number of wholesale and retail sales establishments have occurred both within the City and in the Labor Market Area.

Figure 3

NUMBER OF COMMERCIAL ESTABLISHMENTS

City			County		
1972[1]	1975[2]	Net Change	1972[1]	1978[3]	Net Change
453	427	-26	256	215	-41

Sources:

(1) 1972 Census of Retail Trade

(2) 1975 County Business Patterns

(3) January 1979 Chamber of Commerce Study

TOURISM TRENDS

The significance of tourism to the local economy has been discussed in previous studies. The Michigan Travel Bureau estimates that travel to Chippewa County accounts for 9.01% of total employment and 4.65% of total personal income. These figures are likely higher within Sault Ste. Marie.

The City's retail and tourism trade are linked in a cyclical, seasonal nature. Retail sales, commercial bank deposits, and employment levels all increase during the summer months.

In addition to Mackinac Island and Tahquamenon Falls, the Soo Locks serve as a major tourist attraction in the region. Attendance records indicate that the Soo Locks have drawn between 700,000 and 1,000,000 visitors annually since 1970. Tourist counts seemed to be depressed between 1974 and 1976 due to gasoline shortages. However, Mackinaw Bridge crossings have risen steadily over the years.

Information compiled by Community Development Department staff documents the current accomodation situation in the City. There are a total of 40 motel/hotels with 975 rooms. Only 567 rooms are available during the winter. Peak period occupancy has been 80% or 780 rooms during the summer and 50% or 488 rooms during the winter (this figure is actually 86% when considering rooms available

during the winter). In 1979, eight conventions were planned with 4,500 people anticipated to attend.

CITY FISCAL CONDITIONS

With the projected economic decline widely known throughout the City, an aura of fiscal conservatism is apparent. Various impact analyses have projected a 4% to 5% loss in personal income and a 13% to 14% loss in retail sales.[2] These losses, coupled with a potential reduction in demand for housing and subsequent stabilization of property value, pose serious fiscal constraints for local governmental operations. From discussions with City officials, large municipal expenditures or bonding is not desirable and emphasis on private investment is preferred.

In terms of potential federal assistance, the City has a long history of success. The City has secured federal assistance for major construction and housing development from HUD, EDA and the State of Michgian in excess of $10,000,000 in the last several years.

From the unemployment and other distress criteria used in evaluation of federal assistance programs, Sault Ste. Marie should be in an excellent position to secure additional federal and state assistance in the future. However, as most observers would agree, reliance on outside assistance is often an uncertain proposition. The strengthening of local tax base and "import" of private investment dollars is far more desirable for long term economic stability.

CANADIAN INFLUENCE

Sault Ste. Marie is effected by its geographic proximity to Canada. Sault Ste. Marie, Canada is a town of about 100,000 in population and has a thriving business and industrial base. Sault Ste. Marie, Canada is the regional center, which serves the central portion of Canada. Sault Ste. Marie, Michigan can be illustrated as having its "back to the wall" in terms of international employment opportunities due to prohibitive immigration laws.

Residents of Sault Ste. Marie, Michigan are known to take advantage of the current favorable money exchange rate and visit restuarants in Canada. Retail shopping is somewhat limited, since there is a duty imposed on import commodities totaling over $25 in value. Several individuals have also noted that certain services, such as health and medical care, are used by Michigan residents.

Two factors of international transaction are important. The City has two international crossings, other than the international bridge; one for natural gas, and the other for rail. These international crossing are the only crossings for a considerable distance, and present one of the strongest relationships between the two countries. Further, the long-range economic development prospects for Sault Ste. Marie, Michigan could change dramatically if international investment regulations were eased.

Canada is very competitive for the U.S. tourist dollar, and has a strong U.S. promotional effort underway to entice the American tourist into Canada for extended stays. Although an extensive promotion program is underway, it is felt that many visitors to the Soo Locks do not spend the night in Sault Ste. Marie, Canada.

NATURAL RESOURCES

The natural resources of the coastal zone have been inventoried and analyzed to determine suitable areas for future development and to assist in the formulation of a management plan. An analysis of the resource factors will disclose both opportunities and constraints for the various land uses. A thorough understanding of these resource factors will minimize potential risks to the environment and excessive development costs.

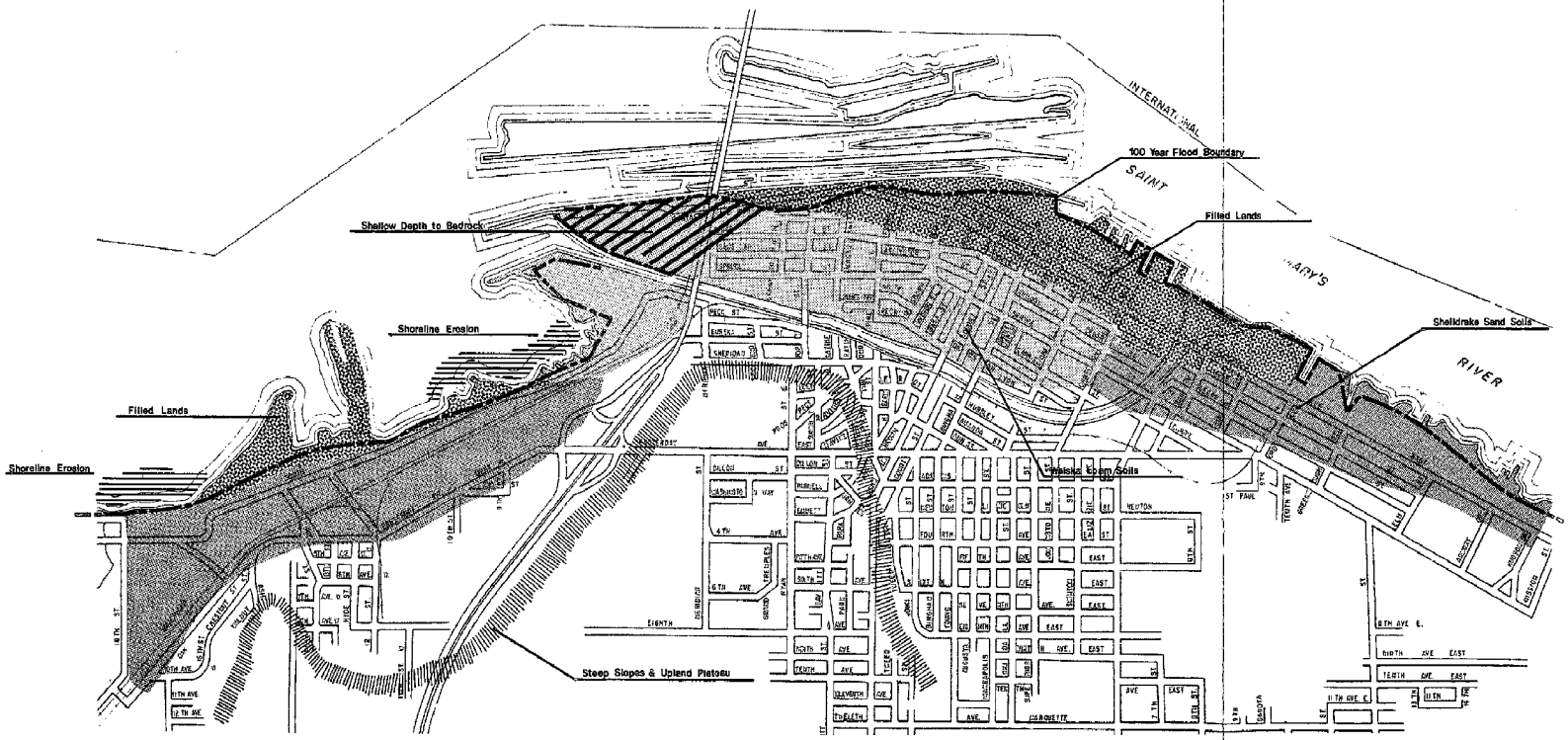
The natural resource factors considered in this inventory and analysis are divided into three major classifications. These are geologic, hydrologic and climatological conditions. Specific factors for anlaysis are as follows:

- soil conditions
- depth to bedrock
- slope and topography
- 100 year flood plain
- shoreline erosion
- climate and prevaling winds

A natural feature analysis for the coastal zone area is illustrated in Map I and incorporates the factors mentioned above.

SOIL CONDITIONS

In order to minimize construction costs and determine areas suitable for future development, soil classifications have been mapped. There are three major soil types found along the coastal zone area. These are classified as: Shelldrake sand, Waiska cobbly sandy loam, and filled areas. General soil conditions pose no problems for intensive development. However, isolated instances involving poor soil stability and frost have has occurred in areas where soils are poorly drained or where there is presence of a high water table. This is particularly true in close



Legend:

- FILLED LANDS
- WAISKA LOAM SOILS
- SHELLDRAKE SAND SOILS
- SHALLOW DEPTH TO BEDROCK
- 100 YEAR FLOOD BOUNDARY
- SHORELINE EROSION AREAS
- STEEP SLOPE & UPLAND PLATEAU

MAP 1

North

0 100 200 400

NATURAL RESOURCES

Coastal Area Management Plan — Sault Ste. Marie, Michigan

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proximity to the water's edge. Minor frost heave problems have occurred in the northeast portions of the Algonquin area but can be corrected with proper site engineering.

Portions of all areas have been filled to some extent with a variety of materials. The waterfront dates back to city's early days and has continually been altered by man's activities. Earthen spoils, sandstone fill and wooden pilings are located below the surface. New development will require soil investigation prior to construction to determine subsurface conditions, location of pilings and capability to support new structures.

DEPTH TO BEDROCK

While soils present only minor constraints to new develoment, a more significant problem in the coastal zone is depth to bedrock. The western limits of the West Island Area has shallow top soil layers (Map 1). Sandstone bedrock is found within three feet of the surface and pose severe constraints upon the construction of sewer and water. Although bedrock can provide an excellent foundation, extension of sewer and water lines would require costly blasting and bedrock extraction. New development proposed for areas with shallow depth to bedrock will likely be prohibitive. The other coastal study areas are free of these bedrock constraints and should pose few problems for subsurface excavation.

SLOPE AND TOPOGRAPHY

Extreme slope can present development problems for future uses. Excessive roadway grades and costly excavation accompanies intensive development on steep terrain. Fortunately the study areas within the coastal zone are relatively flat and will present few constraints for future development.

Map 1 illustrates areas where slopes exceed 20%. While these areas are generally outside the study area, the slopes adjacent to the upland portions of the City offer scenic views of the lower City and waterfront area. The appearance and visual impact of future development should be considered from the vantage points of the higher elevations of the City.

FLOODPLAIN

The 100 year floodplain boundary has been delineated by the Department of Housing and Urban Development and is illustrated in Map 1. The filled areas within the Algonquin and Portage Avenue Areas are the most susceptible to flooding. The Algonquin Area is particularly susceptible to storms and northwesterly gales approaching from Lake Superior. Potential risks can be minimized by shoreline bulkheads and proper consideration of the floodplain boundaries.

There is some concern that the passage of wetlands legislation now being considered in Michigan would have a detrimental effect on waterfront development. Two major low-lying areas exist in the Algonquin Area. Although most of these areas lie above the ordinary high water mark established under the Great Lakes Submerged Lands Acts, the actual application of yet unapproved legislation cannot be predicted.

SHORELINE EROSION

Two areas within the Algonquin Area have experienced shoreline erosion. These are the areas near 18th Street and the area along South Street. The shoreline is an erodible sandy plain and is susceptible to wave action and littoral drift associated with strong northwesterly winds. To date, damage has been limited to private docks and structures near 18th Street and minor roadway erosion along South Street. The shoreline areas along the Saint Mary's River are stable and present no erosion problems for future development.

CLIMATE

Because of the moderating influence of Lake Superior upon lands near its eastern shores, the climate of Sault Ste. Marie is not as harsh as inland areas. Annual precipitation ranges between 28 inches and 30 inches and average snowfall is approximately 100 inches. Average winter temperature is 14-15^{o}F while the average summmer temperature is 63-66^{o} F. Winds are primarily out of the west or northwest, a consideration in the location of certain types of heavy industry in the Algonquin Area.

PHYSICAL RESOURCES

The physical resources of the coastal area have been inventoried and analyzed for use in formulation of management plans. The physical resources considered include: existing land use, zoning, transportation facilities, utilities and historical resources.

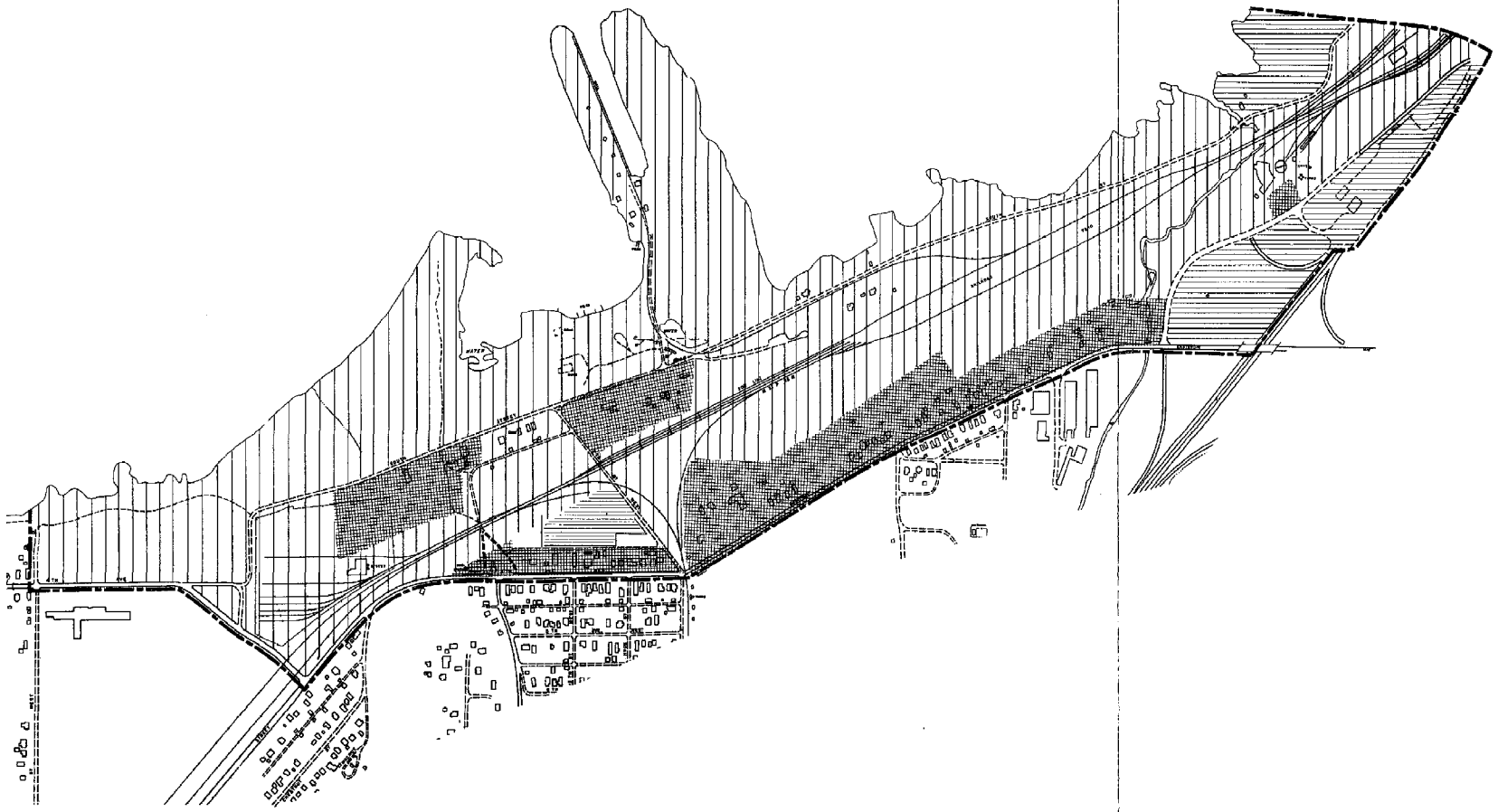
VACANT LANDS AND OWNERSHIP PATTERNS

Based upon on site observations and aerial photographs, a vacant lands inventory has been developed to illustrate specific coastal areas with usable acreage for future development. A summary listing is provided in Figure 4.

Figure 4
COASTAL VACANT LANDS – SAULT STE. MARIE

Coastal Area	Vacant Land Ownership Pattern	Acreage
Algonquin Area	Large consolidated parcels	100 ± acres
West-Island Area	Large and small parcels	23 ± acres
Portage Ave. Area	Large consolidated parcels	4 ± acres
Harbor Area	Large consolidated parcels	20 ± acres
	TOTAL	147 acres

Ownership patterns are an important consideration for the future economic development of the coastal zone. Large parcels under single ownership are easier to acquire and to develop than a group of small parcels under multiple ownership. Likewise, parcels which have been platted or subdivided and which are under separate property deeds will present greater difficulties to large scale development and acquisition. Because of these considerations, the four study areas have been mapped to illustrate property ownership patterns within the coastal area. Maps 2 through 5 illustrate these patterns.



Legend

- Unplatted- Single Owner (Large Tract)
- Platted Multiple Owner
- Platted Single Owner
- Public Ownership

MAP 2

algonquin area

LAND OWNERSHIP

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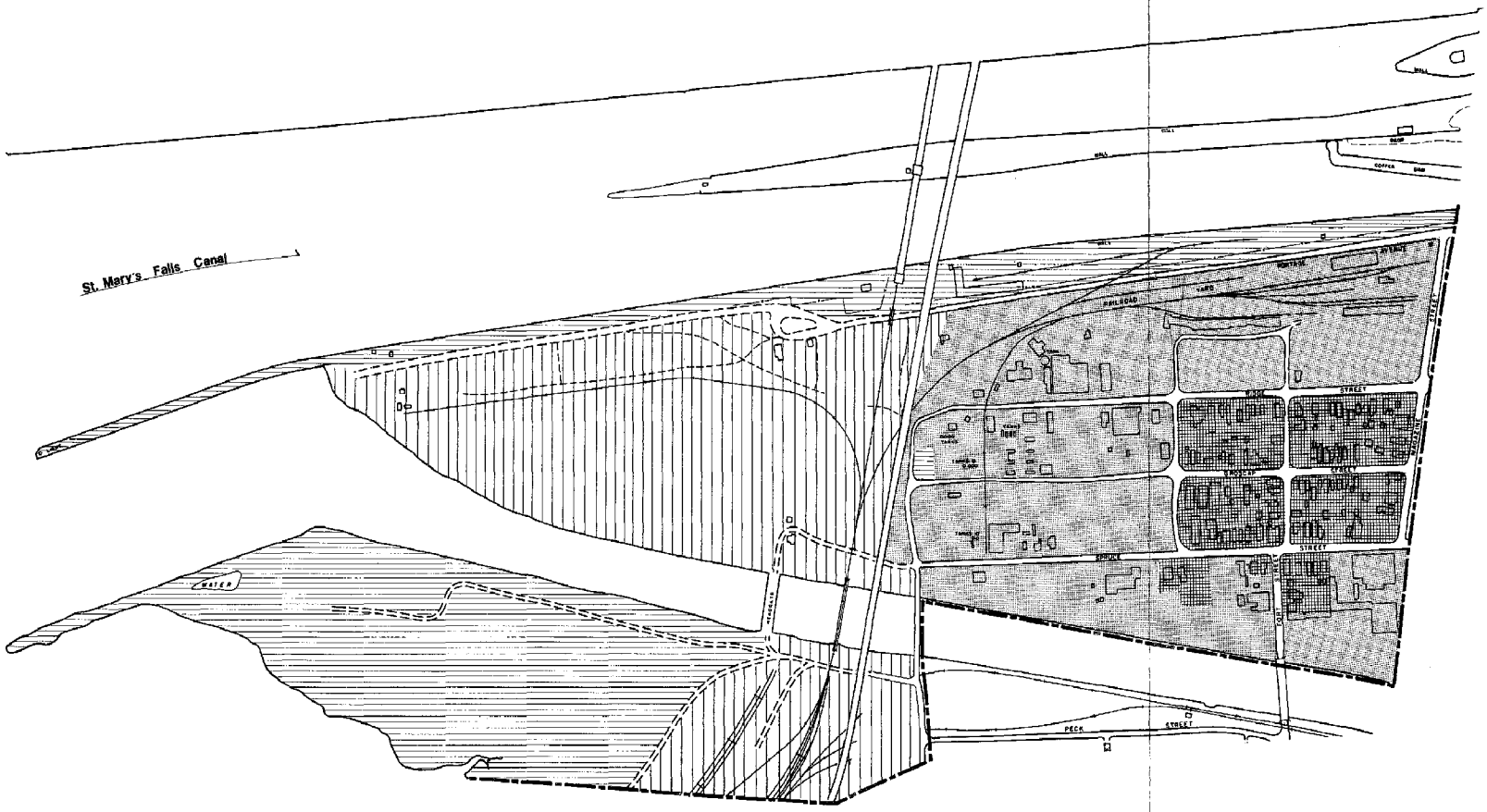

Legend

- Unplatted - Single Owner (Large Tract)
- Platted - Multiple Owner
- Platted - Single Owner
- Public Ownership

MAP 3

west island area

LAND OWNERSHIP

North

0 100 200 400

Coastal Area Management Plan — Sault Ste. Marie, Michigan

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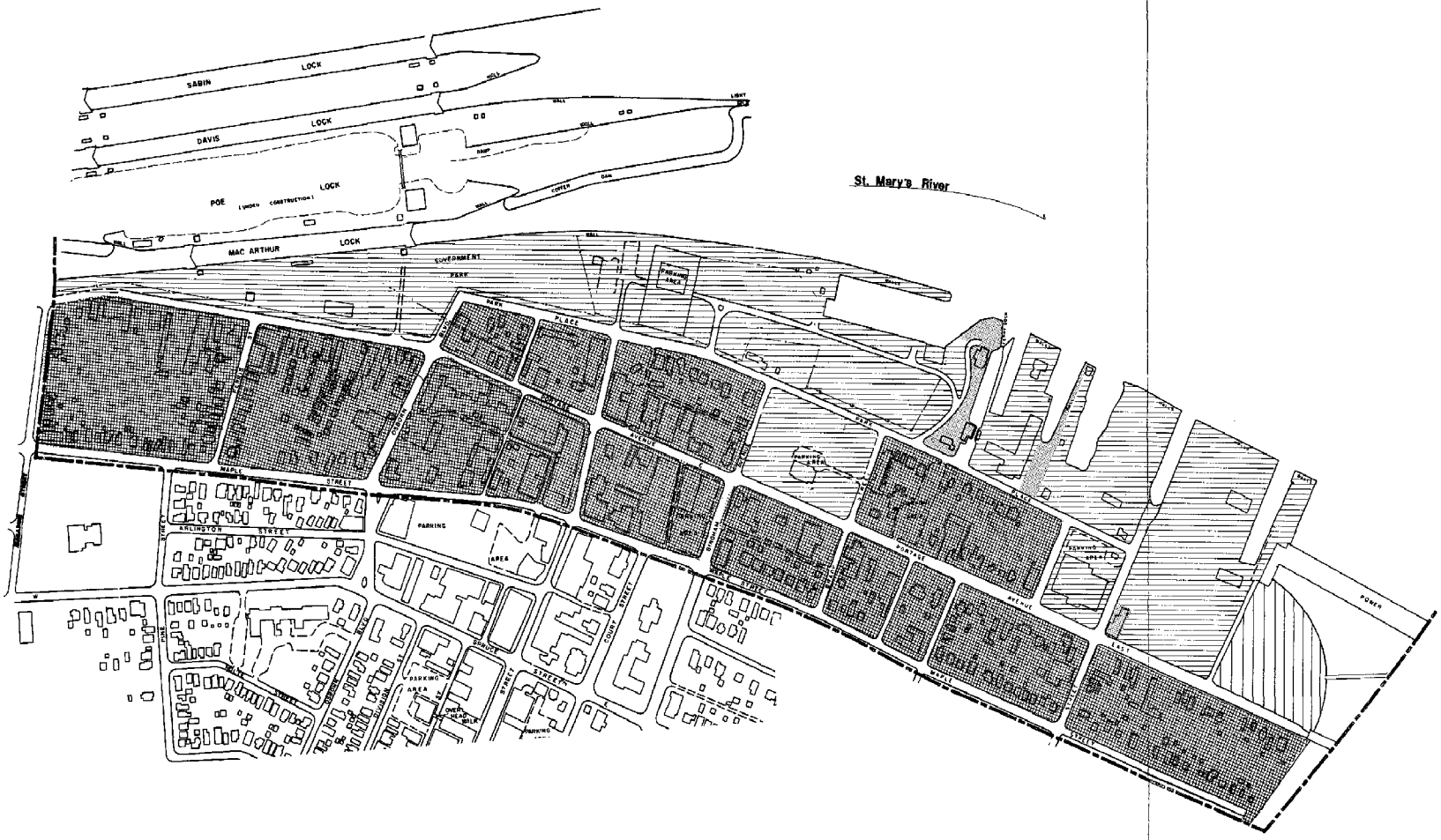

Legend

- Unplatted - Single Owner (Large Tract)
- Platted Multiple Owner
- Platted Single Owner
- Public Ownership

MAP 4

portage ave. area

LAND OWNERSHIP

North

0 100 200 400

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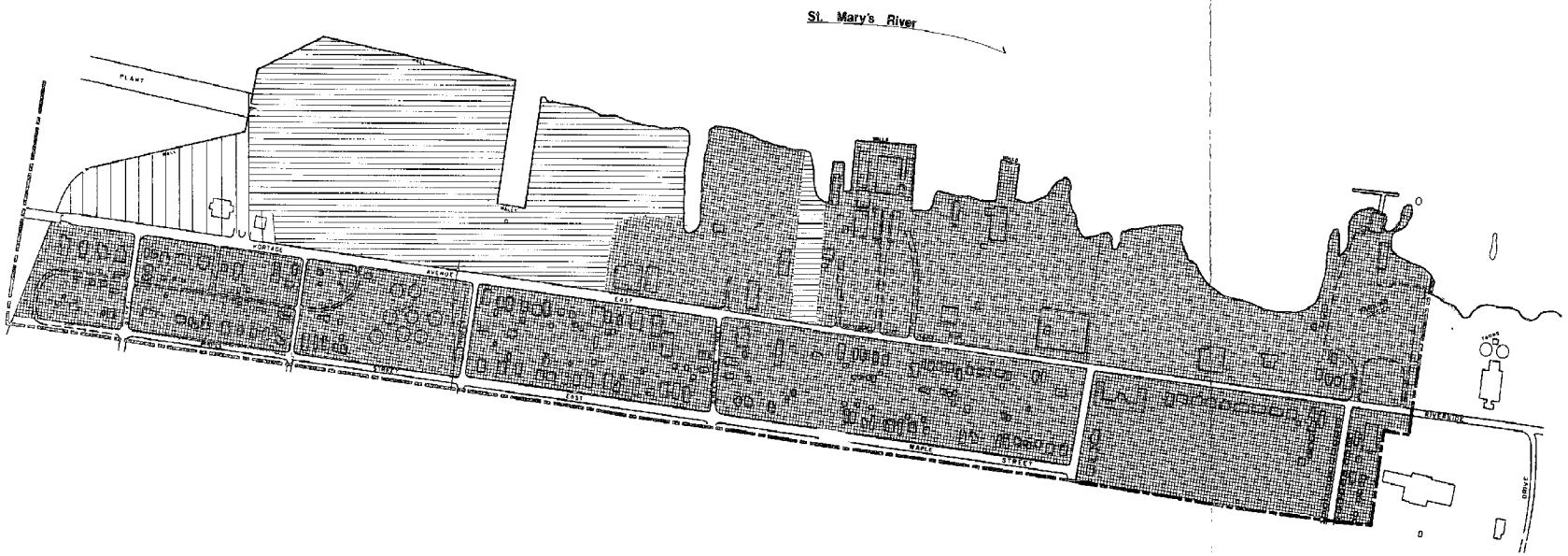

Legend

- Unplatted - Single Owner (Large Tract)
- Platted - Multiple Owner
- Platted - Single Owner
- Public Ownership

MAP 5

harbor area

LAND OWNERSHIP

North

0 100 200 400

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The Algonquin area contains lands which are predominately unplatted and under single ownership. The lands are large tracts and present ideal ownership patterns for future large scale development. A mixture of ownership patterns are found within the West Island Area. Public lands, unplatted single owner tracts and platted single owner tracts are the dominant patterns. The Portage Avenue Area is primarily public and platted multiple owner. Lands along the immediate shoreline are nearly all public while lands along Portage Avenue are under multiple ownership. The Harbor Area is primarily platted multiple owner and includes all lands south of Portage Avenue and most lands along the shoreline. The now vacant Union Carbide site is unplatted and under single ownership and is a potential site for large scale development.

In summary, the ownership patterns suggest that the Algonquin Area is most suitable for attracting large scale development because of the unplatted-single ownership patterns and the vacant acreage available to development. Smaller scale development could also occur within all other coastal areas but on smaller sites.

EXISTING LAND USE

The existing land uses of the primary study areas have been inventoried and mapped. The inventory utilized aerial photographs and site inspection to determine the various land uses. Existing land uses are illustrated for each study area in Maps 6 through 9 and are classified in the following categories:

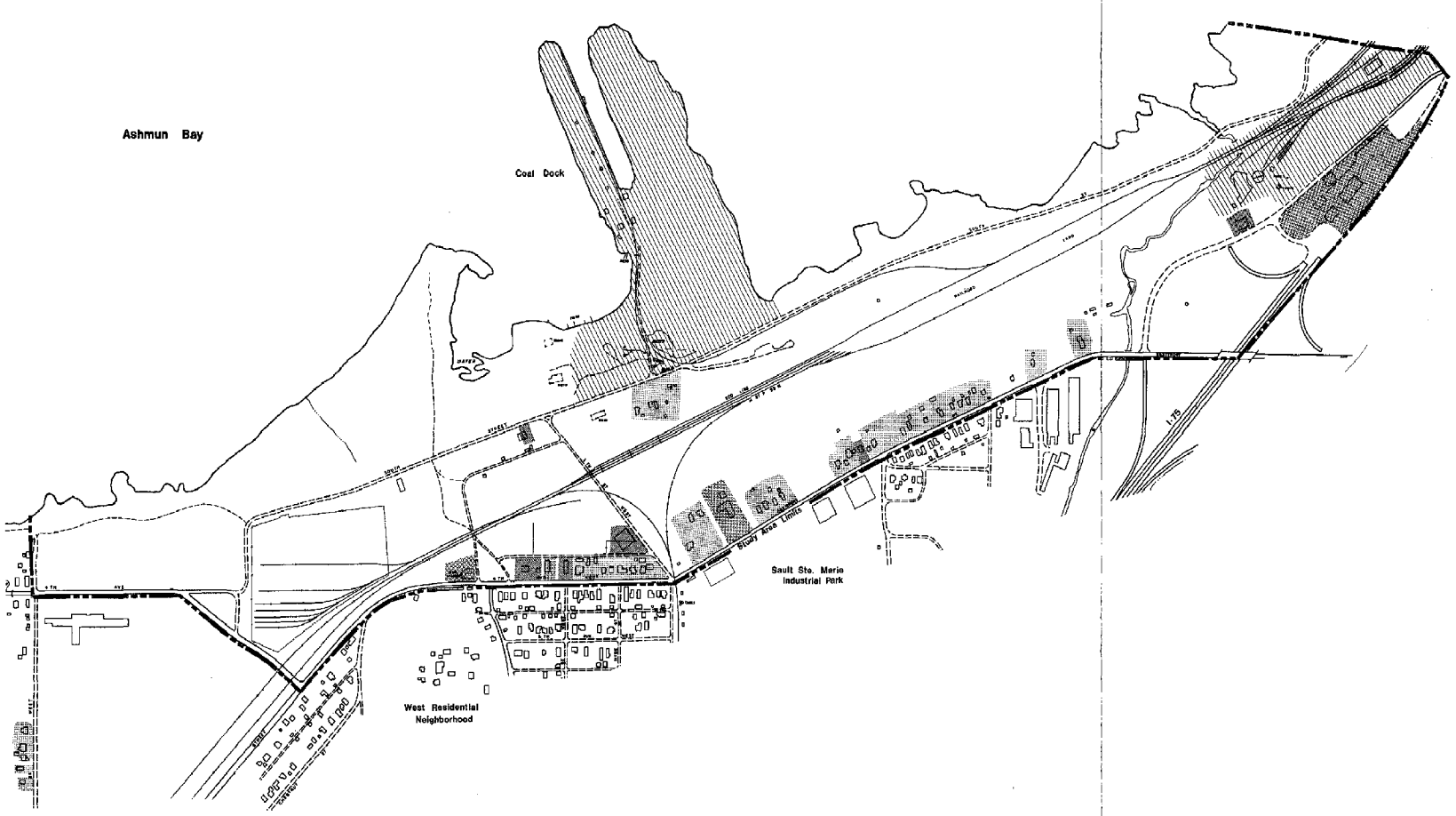
Vacant and Open - Includes all unoccupied lands not currently being used.

Residential - Includes all single and multi-family dwelling units.

Commercial - Includes all land and buildings where products, goods or services are sold.

Public and Institutional - Includes all lands and buildings devoted to governmental facilities, schools, churches and recreation.

Industrial - Includes all land and buildings devoted to manufacturing, processing, warehousing, and storage.



Legend

- Vacant & Open Land
- Residential
- Commercial
- Public & Institutional
- Industrial

MAP 6

algonquin area

EXISTING LAND USE

North

0 150 300 600

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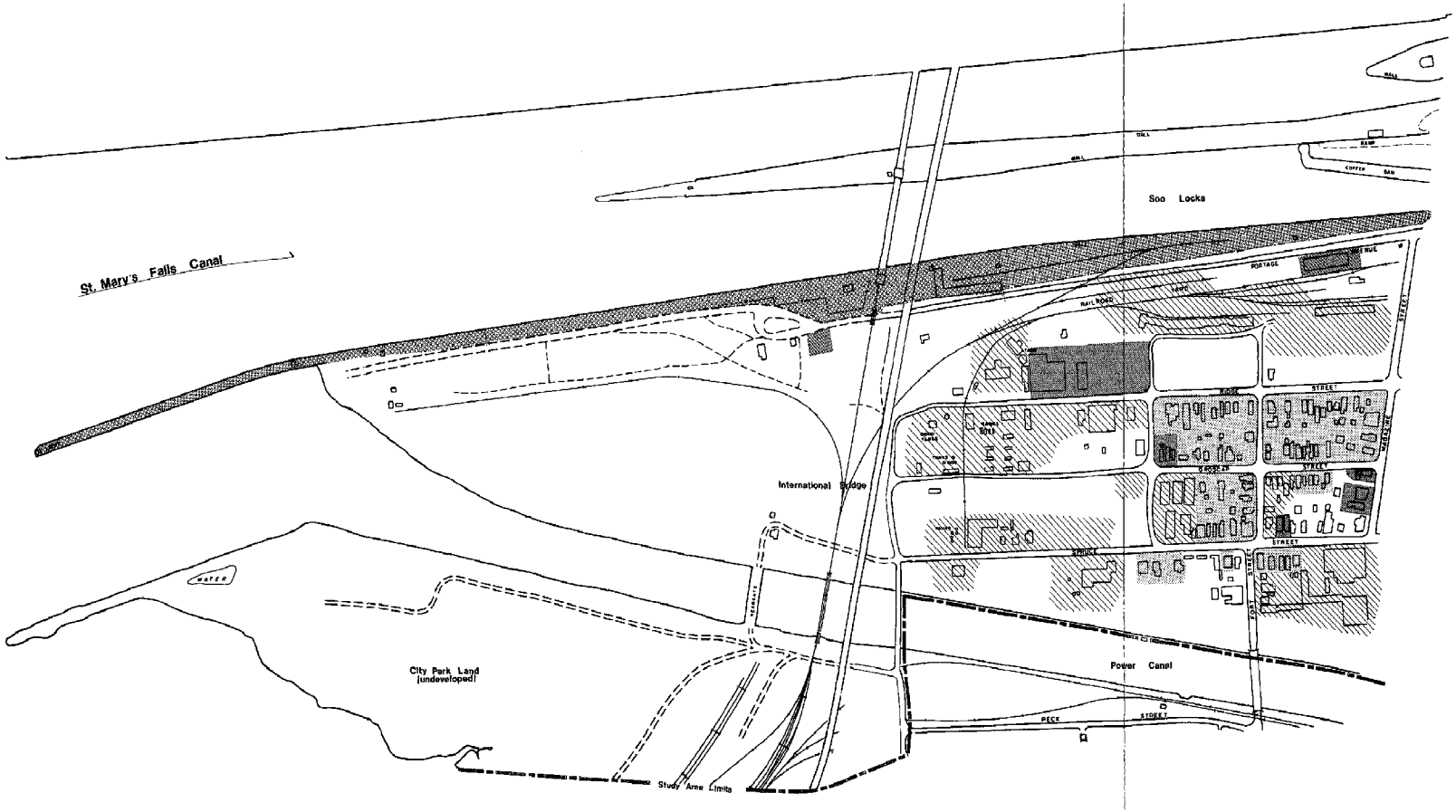

Legend

- Vacant & Open Land
- Residential
- Commercial
- Public & Institutional
- Industrial

MAP 7

west island area

EXISTING LAND USE

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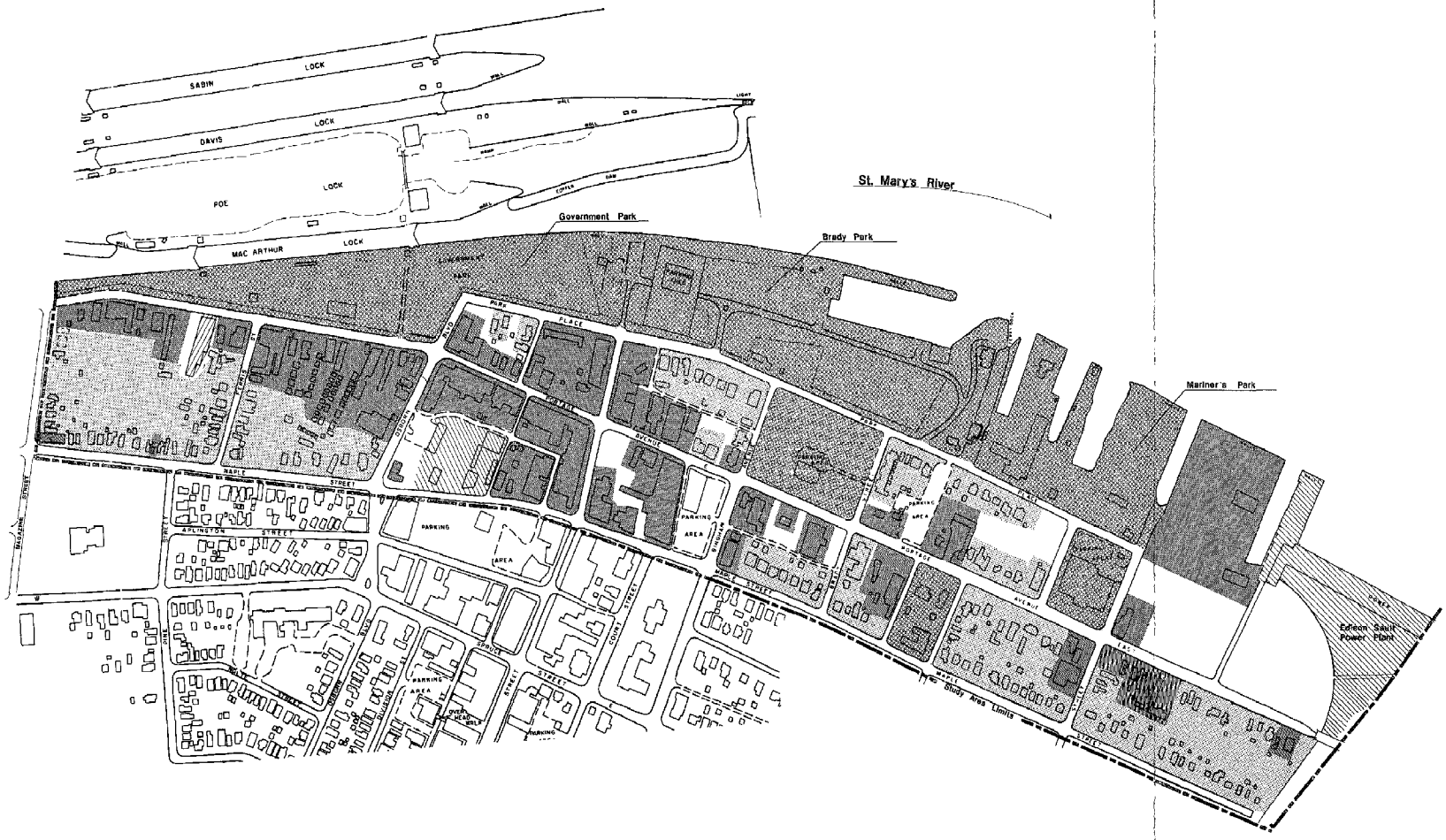

Legend

- Vacant & Open Land
- Residential
- Commercial
- Public & Institutional
- Industrial

MAP 6

portage ave. area

EXISTING LAND USE

North

0 100 200 400

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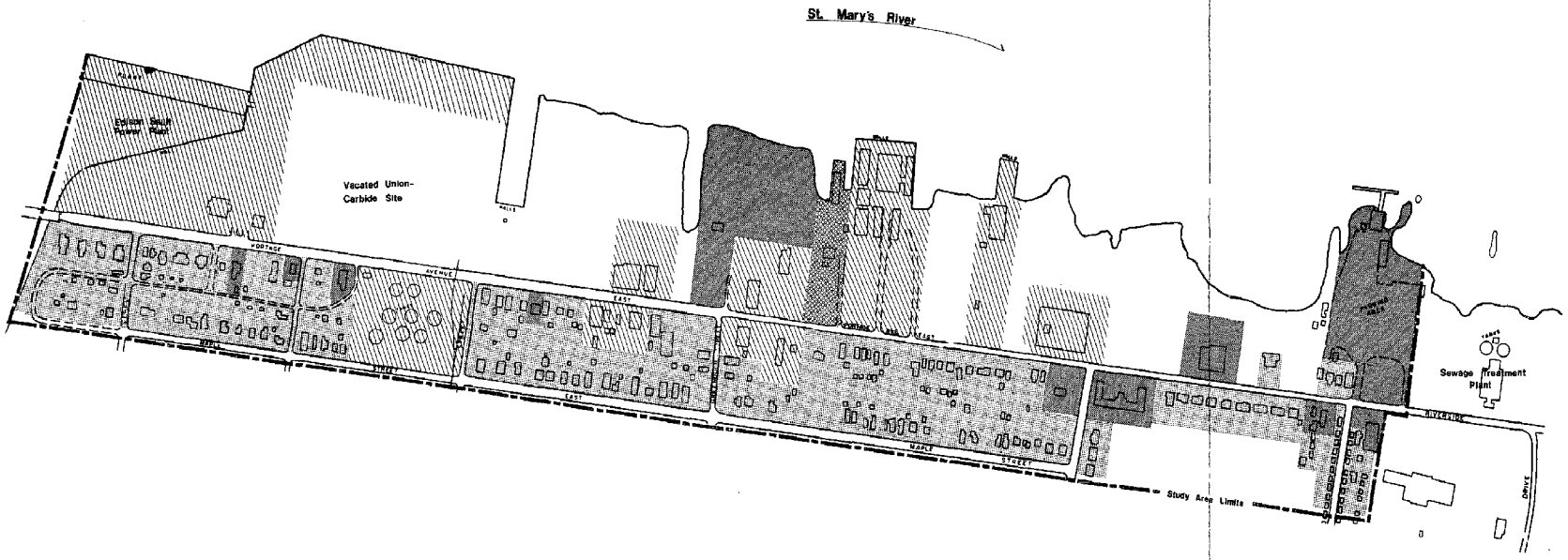

Legend

- Vacant & Open Land
- Residential
- Commercial
- Public & Institutional
- Industrial

MAP 9

harbor area

EXISTING LAND USE

Coastal Area Management Plan — Sault Ste. Marie, Michigan

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LAND USE PATTERNS

The land use patterns of the primary study areas are tied to the economic history of Sault Ste. Marie. Early economic growth and development was based upon the City's role as a center for water transportation. Lands adjacent to the river were used for industrial purposes with commercial and residential uses located inland. In recent times, some industries are still located along the waterfront but increased interest in the Sault Locks has fostered tourism and commercial development. Todays waterfront is a mixture of industrial, commercial and public uses with residential uses scattered inland of the waterfront area. There is a great deal of vacant and underutilized property in the primary study areas. In order to examine the specific pattern of each area the land uses for these areas are hereby detailed.

The land use of the Algonquin Area is predominately vacant and industrial. The area encompasses over 200 acres with industrial uses occupying roughly 100 acres and vacant lands occupying the remaining acreage. Dominant uses within the area include the Reiss Coal Dock and the Soo Line Railroad Yards. Across Easterday Avenue is the existing Industrial Park. Residential uses are scattered along Easterday and 4th Avenues.

The International Bridge divides the West Island Area in half. Two large tracts of vacant land are located west of the bridge and are divided by the power canal. The vacant tract to the north is approximately 14 acres under private ownership, while the vacant land to the south is undeveloped city park land. Land uses east of the bridge are mixed and range from poor condition housing stock to scattered industrial and commercial sites. Most industrial buildings are used for storage purposes or for small scale industrial services. Approximately 9 acres of vacant land are found east of the bridge for a total of 23 acres of vacant land (excluding the city park land) for the entire study area.

The immediate waterfront within the Portage Avenue Area is nearly all Federally owned and managed by the Army Corps of Engineers. Tourist related activities are clustered near the locks and west end of the study area and are an important land

use and economic consideration. Continuing east along Portage Avenue, tourist facilities decline and land uses are mixed between residential, commercial and public uses. Important landmarks are found within this study area and include the various federal buildings, visitor information centers, historical structures and parks.

The Harbor Area includes lands which are primarily industrial or vacant. It is bounded by the Edison Sault Power Plant on the west and the City's sewage treatment plant on the east. A large tract adjacent to Edison Sault was once occupied by the Union Carbide Plant. The plant has been torn down and the 15 acre site is owned by the City and leased to a ship repair enterprise. Approximately 20 acres of vacant lands are found along the waterfront in the harbor area. Other industrial uses include ship storage and warehousing. Commercial uses are scattered along Portage Avenue and include motels, retail establishments and tourist facilities such as the KOA campground and Welch's Boat Tour facilities. Residential housing is mixed within these uses and is generally in fair condition.

ZONING

Land uses and building regulations are governed by the City's Zoning Ordinance. This ordinance establishes various zoning districts and permitted uses, bulk requirements and regulations for the zoning process. The four study areas within the coastal zone include a variety of zoning districts.

The Algonquin Area is primarily zoned for heavy industry (I-2). A small area along the south central portion is zoned for one-family residential use (R-1).The West Island Area is primarily zoned for light industry (I-1) and includes all the area east of the International Bridge. West of the bridge, the land is zoned for tourist service (T), while the portion of land to the south of the power canal is zoned for heavy industry (I-2).A mixture of zoning districts are found within the Portage Avenue Area. The Western portion of the area is zoned for tourist service (T) and a central portion of the area is zoned as central business district (B-2). The waterfront area east of the locks is zoned for light industry (I-1) while the remaining areas are tourist service (T) and two-family residential (R-2).The Harbor Area is primarily zoned heavy industrial (I-2). Smaller areas within the area are zoned as general business (B-3) and tourist (T).

TRANSPORTATION FACILITIES

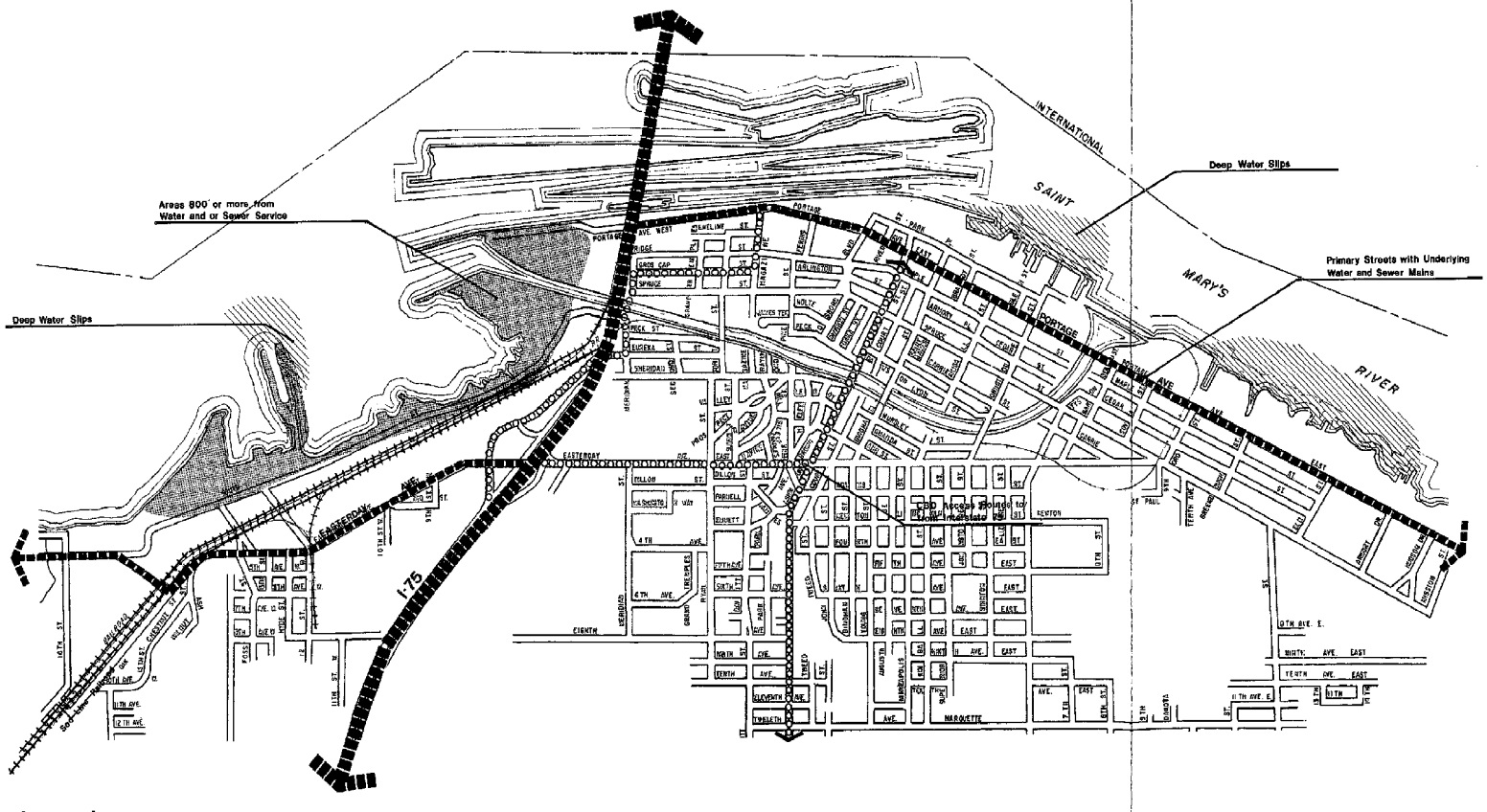
Transportation facilities of the coastal area are divided into three categories including roads, railroads and harbor facilities. Each transportation mode is analyzed to determine the general condition and capability of existing facilities to support potential development.

Road access to the areas of economic expansion is generally good. Interstate 75 provides an efficient north-south link to other economic centers. Easterday Avenue and Portage Avenue are primary east-west routes providing access to the coastal areas. The Algonquin Area is well served by the nearby I-75/Easterday Avenue interchange while traffic traveling to Portage Avenue must travel a circuitous route through residential areas via Ashmun Street or Meridian Street (Map 10).

Ease of access is an important concern in considering tourism within the coastal area. As mentioned earlier, access to the Portage Avenue tourist district is indirect. Northbound visitors must exit I-75 prior to entering the CBD or else their only contact with the City will be a view from the International Bridge.

The Sault Ste. Marie coastal area is currently served with rail transportation by the Soo Line Railroad, which provides an east-west rail freightline. The rail line is also linked to southern Michigan via the Mackinac Railroad Car Ferry and to Ontario, Canada in the North via the Sault Railroad Bridge. Railroad yards and sidings are located within the Algonquin Area and would provide convenient and necessary access for future industrial expansion.

The history of Sault Ste. Marie is closely linked to its location on one of the most important Great Lakes waterways and its role as a hub for water transportation. It is not surprising that the coastal area has a number of harbor slips capable of handling large ships. Ten deep water slips 300 feet or longer currently exist along the coastal study area. Four of these slips are under operation by the Army Corps of Engineers or Coast Guard. The remaining ships are under private operation and used for industrial or commercial operation. The Reiss Coal Dock is located within the Algonquin Industrial area and could conceivably be modified to support an additional ship. Other docking areas along Portage Avenue include slips for the Valley Camp Museum, tour boats and industrial uses.



Legend:

- DEEP WATER SLIPS
- AREAS WITHOUT WATER AND OR SEWER SERVICE
- C.B.D. ACCESS ROUTES
- PRIMARY STREETS AND UTILITIES
- INTERSTATE ROUTE
- RAIL FACILITIES

MAP 10

PHYSICAL RESOURCES

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UTILITY SERVICE

The adequacy of existing sewer, water, electric and gas lines and the availability of energy are important locational criteria. Although detailed analysis would be required to examine the specific needs of a proposed industry, it is generally felt that the existing utility system will be capable of supporting the future needs of the coastal area. Water and sewer service is available and capable of providing for new facilities. Portions of the Algonquin Area would require extension of existing lines (see Map 10); however, these areas are generally not more than 800 feet from sewer and water mains. Plants with excessive water needs and process wastes would require special consideration.

The availability of petroleum and natural gas service is dependent upon the national energy outlook. However, the availability of nearby hydroelectric power and an extensive system of gas reserves from the western states and Canada should provide uninterrupted service. In general, utility and energy service for the coastal zone will present few problems for industrial expansion.

HISTORICAL RESOURCES

The City of Sault Ste Marie is fortunate to own and partake in the rich history of the settlement and development of North America. With its location as a center for commerce and water transportation, settlements were established in the early 1600's by French fur traders. In 1668, Father Jacques Marquette officially established the first white settlement along the St. Mary's River. The strategic location of the Soo maintained the French fur trading influence on the Upper Great Lakes for over 100 years. The French position of influence ended during the French and Indian War when the British laid claim to most of North America. The British position was abandoned soon after the American Revolution and the City has since flown the flag of the United States.

In 1779, the Canadians built the first lock to assist shipping from Lake Superior to the Lower Lakes. By the mid-1800's copper and iron ore deposits were discovered along the western shores of Lake Superior and the significance of shipping through

the locks became an important factor for national industrial development. As shipping tonnage increased, additional locks were built to accomodate comemrce. Lock construction projects and the emergence of the City as a center for water transportation caused an influx of laborers into the City and the population of Sault Ste. Marie increased.

Today, the waterfront of Sault Ste. Marie serves the modern needs of commerce as well as a reminder of the past. Efforts are being made to preserve the history of events and memories of the City's early settlers. The homes of some of the City's early settlers are being restored or considered for restoration. Two current projects include the restoration of the John Johnston House and the moving and restoration of the Henry Schoolcraft House. Both of these men were important early settlers and their homes will stand not far from their original sites on Park Place Street in Mariner's Park. These historic residences are adjacent to the Museum Ship Valley Camp and historic Fort Brady. Together these sites form a unique historic complex within the coastal area and preserve the heritage of early Sault Ste. Marie.

An inventory of historic resources for the coastal area includes structures now on State and Federal resgisters. Structures considered for historic registers are also included in Figure 5. All of these structures are located within the Portage Avenue Study Area.

Figure 5

HISTORIC STRUCTURES IN THE COASTAL AREA

Name of Structure	National Register	State Register	Status
St. Mary's Falls Canal	*	*	In operation
Henry Schoolcraft House	*	*	Being relocated and restored
John Johnston House	*	*	Being restored
Federal Building	*	*	Vacant
Old Fort Brady	*	*	Park Use
S.S. Valley Camp	*	*	Museum Ship
Bishop Baraga House	*		Residential Use
Elijah Allen House	*		Residential Use
Fort Brady Guard House			Being restored and considered for State designation
Edison Sault Power Plant			Being considered for State designation

There are two organizations which currently manage and oversee the historical resources of Sault Ste. Marie. The Sault Ste. Marie Historic Development Commission is a city advisory commission composed of appointed officials from various segments of the community. The other organization is the Le Sault de Sainte Marie Historical Sites Incorporated, a non-profit, private corporation charged with legal and financial authority to own and maintain the acquired historic sites.

INSTITUTIONAL CONSIDERATIONS

An important part of many planning studies is the institutional environment in which programs must operate. Existing State, regional and local programs impacting on the coastal environment were researched. An overview of these programs is presented here.

MICHIGAN COASTAL ZONE MANAGEMENT PROGRAM

The Governor has designated the Department of Natural Resources as the lead agency in administering the Coastal Zone Management Program. The following goals have been identified by the Coastal Zone Management Program.

1. Coordinate the operation of federal, state, regional and local programs that influence activity and impacts in Michigan's coastal area.

2. Develop a partnership with citizens to promote an awareness of the value and sensitivity of the coastal area and the wise use of resources.

3. Encourage and support local units of government to carry out coastal management responsibilities in an effective and efficient manner.

4. Protect coastal land, water and air resources from detrimental uses and activities for the public health, safety and welfare.

5. Assist in the implementation of programs which lead to wise use of the coastal area.

To implement Coastal Zone Management goals, the Department of Natural Resources has chosen to concentrate efforts in developing programs and policies towards five major resource areas. Those resource areas having particular significance to Sault Ste. Marie have been so designated with an asterisk:

1. Areas of natural hazard to development - including erosion and flood-prone areas;

2. Areas sensitive to alteration or disturbance - including ecologically sensitive areas (wetlands), natural areas and dunes and islands;

3.* Areas fulfilling recreational or cultural needs - which include areas managed to recognize recreational, historic or archaeological values;

4.* Areas of natural economic potential - including water transportation, mineral and energy, prime industrial and agricultural areas;

5. Areas of intensive or conflicting use - which encompass coastal lakes, river mouths, bays and urban areas.

The Coastal Zone Management Act requires Federal actions to be consistent with approved State Coastal Zone Management Programs. Federal consistency requirements are particularly pertinent to Sault Ste. Marie, given the extent of Federal involvement in the coastal area.

Michigan's Coastal Zone Management Program was approved by the Federal Office of Coastal Zone Management in August of 1978. Activities requiring Federal licenses or permits and Federal financial assistance programs must be consistent with the Michigan Coastal Zone Management Program and direct Federal activities and development projects must be consistent to the maximum extent feasible. The only exceptions to Federal consistency requirements are for activities determined to be in the national interest.

LOCAL AND AREAWIDE PLANNING

Local and areawide planning decisions affecting the Sault Ste. Marie coastal area are made by three bodies: Sault Ste. Marie Planning Commission, Chippewa County Planning Commission, and Eastern Upper Peninsula Regional Planning and Development Commission (EUPRPDC). There are numerous other public, quasi-public and private groups which have input into local and areawide planning decisions.

In accordance with city charter, the Sault Ste. Marie Planning Commission has primary responsibility over master planning and capital improvement planning activities. The most recent components of the City Master Plan consisted of the Land Use Plan, Housing Plan and Community Facilities Plan, and were completed in 1976. A six-year Capital Improvements Plan is prepared and updated annually. The Planning Commission conducts special studies, such as the Coastal Area Plan and the Airport Reuse Plan, and has review responsibility over rezoning requests, special use permit requests, site plans and subdivision plats. The Community Development Department provides staff to the City Planning Commission.

The Chippewa County Planning Commission has not developed a county land use plan. Planning assistance to Townships is provided by the staff of EUPRPDC, although the County Planning Commission has the authority to approve Township plans.

Areawide planning activities and local planning assistance are provided by EUPRPDC, comprised of Chippewa, Luce and Mackinac Counties. EUPRPDC is Region IX of the state-designated planning and development regions and serves as the areawide A-95 review agency. The Regional Planning Commission has conducted a number of planning programs pertinent to the Sault Ste. Marie Coastal Area. Among the more significant include: Economic Development Planning, Coastal Zone Management, HUD '701' Comprehensive Planning and Transportation Planning.

Economic and Community Development

Economic development activities affecting Sault Ste. Marie and surrounding areas, are complex and fragmented. The succession of economic shocks experienced by the Eastern Upper Peninsula has induced areawide community leaders to undertake a variety of programs.

Within the region a number of communities have formed organizations for the purpose of industrial and economic development. St. Ignace, Rudyard and Luce Counties have established Industrial Development Corporations. Chippewa County has formed an Economic Development Corporation and Sault Ste. Marie has an Industrial and Economic Development Commission. Further, there are also various public and civic organizations concerned with job training, employment, and commercial development and revitalization.

The Eastern Upper Peninsula Regional Planning and Development Commission (EUPRPDC) has the responsibility for preparing an Overall Economic Development Program (OEDP) to maintain the region's designation as an Economic Development District by the Economic Development Administration. This designation is necessary so that communities within the region are eligible for public works and business development projects sponsored by EDA. The OEDP is a continuing planning process requiring periodic updating to reflect changing regional economic problems and potentials. The highest development priority identified by Chippewa County representatives to the OEDP is the conversion and reuse of Kincheloe Air Force Base.

The Chippewa County Economic Development Corporation has been established in accordance with the provisions of the Economic Development Corporation Act to create employment opportunities through the renovation of industrial and commercial areas. The EDC has the authority to issue revenue bonds and acquire, develop and maintain land, buildings and equipment necessary to implement a project.

The primary thrust of the County EDC has been to promote the redevelopment and reuse of Kincheloe Air Force Base. A number of new industrial and commercial establishments have been encouraged to locate in the industrial park at the Base. Other activities such as the Kinross Correctional Facility , Chippewa County International Airport, and the Indian Health Service Center have been developed at Kincheloe.

Community development activities in Sault Ste. Marie have been the responsibility of the Community Development Commission and the staff of the Community Development Department. The Community Development Department administers the Community Development Block Grant Program as well as other programs dealing with community planning and development, housing rehabilitation, historic preservation and small business loans.

The City of Sault Ste. Marie has also established an Industrial and Economic Development Commission. The IEDC was established by ordinance to act in an advisory capacity to the City Manager and City Commission concerning all phases of industrial and economic development. To date, the IEDC has concentrated on the Sault Industrial Park which is the only active Certified Industrial Park in the Eastern Upper Peninsula. The Industrial Park has been successful in attracting light industry such as Ultraspherics, Inc., Detroit Die Cutting, JAS Veneer, Soo Sheltered Workshop and Bunker Manufacturing. The Park has a Foreign Trade Zone which contains Metallurgical Products, Inc. Another feature of the Park is the Industrial Incubator which assists new businesses in getting a successful start.

3

Development Potential, Suitability and Options

DEVELOPMENT POTENTIAL, SUITABILITY AND OPTIONS

Sault Ste. Marie and Chippewa County have experienced increases and subsequent declines in various economic sectors over the years. The recent losses of Kincheloe A.F.B. and Essex Manufacturing have certainly been shocks to the local economy. However, the decline in industrial activity in the 1950's and the demise of natural resource base activities long before, have been economic storms the Soo has weathered. Each economic decline presents new challenges and opportunities. It is the purpose of this Section to outline those opportunities as well as problems associated with development of the coastal area.

INDUSTRIAL DEVELOPMENT

REGIONAL ECONOMIC CONSIDERATIONS

The economy of Sault Ste. Marie has been greatly influenced by external factors beyond the control of local leaders. Sault Ste. Marie, lies on the outskirts of the industrial heartland of America. Regional trends will have a significant effect on the ability of the area to effectively promote and attract viable economic activity.

The various sectors of the Great Lakes economy are highly interdependent. Within the six state region, more goods are bought and sold within the region than to the rest of the nation and the world combined.[3] The effects of changes in one component of the regional economy are often felt throughout the region.

The dominant components of the Great Lakes economy are associated with the industrial belt in the Lower Great Lakes extending from Cleveland to Milwaukee. This area accounts for over 50 percent of national steel production, 67 percent of automobile and associated parts and forty percent of primary metals, fabricated metals and machinery.[4] The Upper Great Lakes area of northeastern Minnesota, northern Wisconsin and northern Michigan supply many of the raw materials used in production within the industrial belt.

Evidence indicates that the industrial belt economy, particularly in the more urbanized areas, is in a state of transition. The durable goods industries, upon which the Great Lakes have thrived, are undergoing fundamental locational and structural shifts including:[5]

(1) A dispersal of new manufacturing employment out of urban areas into nonmetropoplitan areas.

(2) A dilution of the traditional locational advantages of the Great Lakes by modern national transportation and communication systems.

(3) Competition from foreign firms with relatively cheap labor.

(4) Slow employment growth rates unable to absorb labor displaced by modernization as well as new labor.

(5) Slow national economic growth thereby lessening demand for Great Lakes products.

The key point to be understood, is that the economy of Sault Ste. Marie is inexorably tied to economic conditions regionally and nationwide.

LOCATIONS AND SITE REQUIREMENTS

The geographic location of Sault Ste. Marie has often been cited as a major reason for its lack of economic vitality. Because of isolation, the prospect of major industrial development seems remote. The success of Sault Ste. Marie, Canada has been offered as a counter argument to the isolation problem. However, Sault Ste. Marie, Canada is centrally located and serves as a regional market center within the Province of Ontario.

Physical location is not always of primary concern. Raw product origin and finish market destination costs can make location and processing competitive in Sault Ste. Marie. This will especially hold true when access to raw materials, production costs, stable labor supply and other attributes of the area can compensate for deficiencies in transportation linkages or geographical location. This concept has worked well in the location of certain industries in the Industrial Park.

Major market centers within a 500 mile radius include Detroit, Chicago, Toledo, Cleveland, Pittsburg, Toronto, Milwaukee, Minneapolis and others. Although these areas are accessible by air, rail , highway and some by water, components of transportation systems linking Sault Ste. Marie are inadequate. East-west rail systems are adequate, but rail access across the Straits of Mackinac is constrained by the outmoded and costly rail ferry. Air and highway facilities provide adequate linkage to major metropolitan areas. The potential exists for improved linkage

Great Lakes commercial navigation.

Selecting a location for a new industrial facility involves committment to a substantial long term investment and is a critical factor affecting the return on that investment. Location selection is a major economic decision when measered in terms of investment dollars, employees affected, and the subsequent impact on the community.

The method of selecting a location varies based on specific needs of the firm, location of suppliers and markets, and numerous other factors. However, Figure 6 illustrates generalized site and location factors listed in priority of importance according to previously conducted research.

A major industry requiring a large site will typically undertake its own locational analyses prior to developing a new facility. The analysis will include labor supply and quality, community facilities and utilities, housing and amenities, transportation modes and rates, and energy availability and costs. A major industry may not be influenced by efforts of the local unit to "sell" the community's attributes.

Smaller industries lacking staff and available budget may be more responsive to local promotional efforts. It is important for the community to be equipped to influence potential prospects. A key to the promotional effort is adequate information regarding the suitability of the selected site for various forms of industrial development.

The specific suitability of the various sites for industrial development are more fully discussed in the Section entitled Site Suitability and Development Options, pages 49-58. The following characteristics of Sault Ste. Marie relative to industries are observed:

(1) The geographic location is a major limiting factor. Other factors such as labor, raw material origin, tax incentives and community attitudes must be promoted to overcome locational aspects.

(2) Industrial location can be encouraged by the availability of raw materials regionally or transported cheaply by water or rail.

(3) Labor is inexpensive and of adequate supply and skills

(4) Excellent vocational training programs are available through Lake Superior State College and Soo Area Schools.

(5) The Industrial Incubator is a novel program which can encourage the start up of new industry.

(6) Site availability and characteristics are adequate provided concensus over future location can be reached.

(7) Environmental standards can be met for air and water quality where more urban locations may be limited.

(8) A multi-source potential of energy supply is available, i.e. natural gas, hydroelectric and coal.

(9) Water transportation is available thereby minimizing distance between source and market.

(10) East-West rail linkage and rates are established.

(11) Processing water is available.

(12) The community's attitude towards industrial development is favorable.

Figure 6

SITE AND LOCATION FACTORS
PRIORITY OF IMPORTANCE

ONE	– Location Transport Facilities	NINE –	Waste Disposal
TWO	– Materials (Supplies)	TEN –	Zoning Climate
THREE	– Labor (Available Skills)	ELEVEN –	Site Characteristics
FOUR	– Labor (General Supply)	TWELVE –	Labor Wages Finances
FIVE	– Availability of Sites		Sub-Site Characteristics
SIX	– Water Process Size of Community	THIRTEEN –	Location of Competitors Insurance Rates Political "Climate"
SEVEN	– Labor Laws, Unions Business Services		Costs of Living Construction Costs
EIGHT	– Access for Management Power and Fuel	FOURTEEN –	Water Transportation

SOURCE: Principals of Industrial Facility Location
By Howard Stafford, 1977
(Survey of 22 Major Firms 1965–1975)

INDUSTRIAL POTENTIAL

As mentioned in a previous section, the potential to attract industrial development is closely tied to regional and national economic phenomena. Growth in the Great Lakes industrial economy has been very slow. During the period of 1966 to 1973, national growth rates in durable and non-durable manufacturing jobs were 6.1 and 4.2 percent respectively while corresponding figures for the Great Lakes were 2.0 and 0.8 percent respectively.

Although the flight of industry to the Sunbelt is often blamed, other studies conclude that losses in employment are due to plant closures and employment reductions not being replaced by the creation of new economic enterprises or the expansion of existing ones.[7] For whatever reasons, there has been a reluctance or inability of industry to invest in new or expanded capital facilities.

Competition among communities to attract industry is intense. Industrial development is viewed by most communities as a panacea for current economic ills. Therefore an incentive package is often offered as a means to attract industry. The Michigan department of Commerce estimates that 160 communities have established Economic Development Corporations and 209 communities have established Industrial Development Districts within Michigan If past performance is any indication, the success of industrial development in Sault Ste Marie will be the location of smaller industries. The prospect of attracting larger industry is not as promising.

The success of Sault Ste. Marie in attracting light industry is linked to the development of the industrial park. The competitive edge provided by the park has been enhanced by the sale price for developed lots. Lots have been dold for about 1/3 of the developed cost. This is common procedure for most communities interested in attracting industry. For Sault Ste. Marie to remain in the market, it is essential that developed industrial sites continue to be provided at competative prices. The recently completed Airport Reuse Plan proposes additional light industry at the Municipal Airport. There is interest in the development of industry

in the Algonquin Area. Agreement must be reached on a future location of light industry.

Identification of specific industries with potential for locating in Sault Ste. Marie is a subjective process. The final decision rests with the proprietor and may not be responsive to community involvements. The attempt here is to conduct an overview analysis in sufficient detail to evaluate the potential economic activities related to the study area. It was determined that to accomplish this task an analysis to the two digit Standard Industrial Classification Code (SIC) was sufficient to develop the Management Plan recommendations. The mission was not to undertake an industrial use targeting process for an industrial marketing effort, but rather to determine potential and constraints of the sites in sufficient detail to recommend actions which would maximize alternatives for feasible and desireable economic use of the coastal area.

An industrial screening process was used to evaluate the match of broad industrial categories with the characteristics of Sault Ste. Marie. This process relies heavily on several individual analyses:

(1) Interest - growth and regional developments
- growth trends of the industry
- regional shifts of industry
-trends within the state
-trends within the area

(2) Industry screening analysis
-desirability (number and growth of establishments, payroll, shipments, growth of employment)
-feasibility (labor force, energy, transportation, land use)
-environmental concerns (water use, pollution)
-regional linkages (area examined in terms of its access in larger region, supply and market locations)

(3) Community attributes
-community attributes and services
-evaluation of assets vs. requirements

Three broad industrial categories are identified as having potential given the attributes of Sault Ste. Marie. These industries are: Primary Metals, Forest Products and Chemical Manufacturing. Figure 7 defines these industries and presents rationale for their potential. Figures 8 and 9 show industry data on value of exports and capital expenditures referred to in Figure 7. The identification of these activities should guide but not dictate future industrial development activities.

The U.S. Industrial Outlook published by the U.S. Department of Commerce, ranks selected manufacturing industries by real growth in value of shipments. Figure 10 lists manufacturing industries with a projected annual growth rate in excess of five percent for the period 1979 to 1983. This list is provided only for purposes of illustrating more specific industries with growth potential within the broad industrial categories.

The listing of these industries can only serve as a subjective guide for development activities in Sault Ste. Marie. Regional economic conditions discussed previously will have an effect on the growth of industry in the Great Lakes. Sault Ste. Marie should not forego pursuing a variety of viable industries. However, future industrial development activities should concentrate on pursuing industry with sufficient capital accumulation, investment potential, and locational needs suited to Sault Ste. Marie.

Figure 7

POTENTIAL INDUSTRIAL CATEGORIES

Classification	Definition	Rational
Primary Metals (SIC 33)	Includes establishments engaged in the smelting and refining of ferrous and nonferrous metals from ore, pig, or scrap; in the rolling, draining, and alloying of ferrous and nonferrous metals; and in manufacture of nails, spikes, wire, cable and byproduct coke.	- Capital expenditures have risen steadily since 1973. - Foreign trade problems have triggered price and import action beneficial to U.S. products. - Value of exports has flucuated since 1973 but increased in specific sections of industry. - Energy (coal and natural gas) and processing water is available. - Environmental standards can be met at coastal area locations (impacts discussed in later Section). - Research and development looking to new processes which will limit water, air and energy problems.
Forest Products (SIC 26)	Includes the manufacture of: pulps from wood and other cellulose fibers; paper and paperboard into converted products. Also includes the cutting and processing of timber for producing lumber.	- U.S. currently at 95-98% operating capacity. - Capital expenditures rose steadily until 1977. - Obsolete facilities expected to spur increased investment in capital facilities. - Foreign imports have increased to fill increased demand. - Available raw on product origin in Eastern U.P., over 80% forested.

Classification	Definition	Rational
Chemical Mfg. (SIC 28)	Includes establishments producing basic chemicals and manufacturing products primarily by chemical processes. Establishments classified here are responsible for three classes of products: (1) Basic chemicals such as acids, alkalines, salts and organic chemicals; (2) Products to be used in further manufacture such as synthetic fibers, plastic materials, dry colors, and pigments; (3) Finished chemical products to be used for ultimate consumption such as drugs cosmetics and soaps.	- Capital expenditures have doubled since 1973. - Value of exports have doubled since 1973. - Rapid growth rate may not continue due to limited capacity for production. - Problems due to high energy use and air, water and toxic environmental regulations.

Figure 8

VALUE OF EXPORTS

(In Million Dollars)

Industry	1973	1974	1975	1976	1977	1978
Primary Metals	2,251.1	3,860.7	3,546.5	2,994.6	2,718.9	3,000.0
Forest Products	1,715.0	2,607.5	2,551.8	2,823.4	2,662.1	2,480.5
Chemicals	5,748.0	8,819.0	8,691.0	9,958.0	10,827.0	12,000.0

Source: U .S. Department of Commerce – Bureau of Economic Analysis

Figure 9

CAPITAL EXPENDITURES

(In Million Dollars)

Industry	1973	1974	1975	1976	1977	1978
Primary Metals	2,334.1	3,751.8	4,164.7	4,178.5	3,974.0	4,037.0
Forest Products	493.7	682.6	728.2	831.0	-0-	-0-
Chemicals	3,186.0	5,072.0	6,352.0	7,122.0	7,300.0	7,800.0

Source: U .S. Department of Commerce – Industry & Trade Administration

Figure 10

SELECTED MANUFACTURING INDUSTRIES

REAL GROWTH RATE CHANGE: 5% OR MORE

1979 – 1983

Industry	SIC Code	Real Growth Compound Annual Rate of Change
Primary Metals	33	–
Primary Lead	3332	5.7
Primary Aluminum	3334	5.6
Forest Products	26	
(None)		
Chemicals	28	
Plastic Materials and Resins	2821	8.0
Biological Products	2831	5.9
Toilet Preparations	2844	5.4
Industrial Organic Chemicals	2869	5.0
Agricultural Chemicals	2879	5.0
Pharmaceutical Chemicals	2834	5.0
Metrical and Botanicals	2833	5.0
Others		
Electronic Computing Eauipment	3573	14.0
Aircraft, and Parts	372	11.2
Electrical Components	356	11.1
Industrial Furnaces, and Ovens	3567	9.5
Optical Instruments, and Lenses	3832	9.4
Machine Tools – Metal Cutting Tools	3541	8.8
Photographic Equipment, and Supplies	3861	8.6
Telephone, and Telegraph Equipment	3661	8.3

Machine Tools – Metal Forming Types	3542	8.2
Plastic Materials, and Resins	2821	8.0
Lawn, and Garden Equipment	3524	7.8
Personal Leather Goods	3172	6.1
Instruments to Measure Electricity	3825	6.0
Electron Tubes – Transmitting	3673	5.6
Bottled, and Canned Soft Drinks	2086	5.6
Foundry Machinery, and Equipment	35592	5.5
Sporting, and Athletic Goods	3949	5.4
Engineering, and Scientific Instruments	3811	5.2
Environmental Controls	3822	5.1
Wine, Brandy and Brandy Spirits	2084	5.0

Source: U.S. Industrial Outlook, U.S. Department of Commerce

WATERFRONT COMMERCIAL AND SERVICE

The Soo Locks constitute an essential component of the 2,342 mile waterway formed by the Great Lakes, connecting channels and St. Lawrence River The movement of bulk raw materials through the navigation system has been a primary factor in the growth of the midwest industrial belt.

Over the past ten years, total tonnage passing through the Locks has ranged from 75 to 100 million tons per year. Vessel passages are approximately 11,000 to 12,000 per year. It is ironic that, even with the volume of commodity movement through the Locks, Sault Ste. Marie receives little economic benefits from the Locks other than tourism.

Bulk cargo, such as iron ore, grain, coal and limestone, constitute the dominant share of shipping traffic in the Great Lakes. A majority of U.S. raw material movements have emanated from Upper Great Lakes ports. The ability to transport large volumes of low value commodities economically over long distance has given shipping somewhat of an advantage over other modes of transportation.

General cargo constitutes a lesser share of shipping traffic than bulk cargo. Imported iron and steel castings destined for Detroit and Chicago are the predominant general cargo shipment. However, there is some movement of domestic goods through the system to both America and Canadian ports.

Although the volume of shipping has flucuated over the years, several factors could point to an increase in shipping:[8]

1. The Maritime Act of 1970 encouraged investment in new lake vessels by giving tax benefits and government subsidies similiar to ocean going ships. Bulk shippers have responded with orders for new 1,000 foot vessels with capacities as high as 58,000 gross tons and self-unloading capability.

2. Recent shortages in the production of domestic steel have increased demand for iron ore.

3. The demand for western coal with low sulphur content is projected to increase.

4. Certain grain shipments have shown an increase, a trend that is likely to continue.

Major port areas located on the Great Lakes can be found at Duluth-Superior, Chicago, Detroit, Toledo, Cleveland, Buffalo and Rochester. The port of Duluth-Superior is promoted as the "world's largest inland seaport" and represents a major facility on Lake Superior. Principle commodities handled through the port are western coal and grain, iron ore and taconite pellets.

There has been a trend in recent years for the specilization of port facilities. More specialized port facilities are located in Sault Ste. Marie, Ontario, Marquette and Escanaba, Michigan. For example, the Marquette and Escanaba ports primarily handle iron ore.

There has been some local interest in the possibility of developing a port facility in Sault Ste. Marie. The City established a Port Commission in 1954. The Commission has been inactive for a number of years and has no appointed members. The purpose of the Port Commission was to advise the City Commission on all matters related to harbor and waterfront development and improvement.

Should interest in port matters continue, creation of a port authority would allow Sault Ste Marie and Chippewa County to take full advantage of the Port Authority Act, PA 639 of 1978. The Port Authority Act greatly expands the ability of local government to develop port facilities. The Act makes provisions for organization, administration, financing and operation of a port authority and the facilities under its jurisdiction.

The feasibility of a port is dependent upon a number of factors which should be

subjected to a more comprehensive evaluation than is contained in this report. Port development would only be feasible if Sault Ste. Marie could capture one or a combination of three major shipping activities: (1) bulk cargo, (2) general cargo, (3) trans-shipment facilities.

Shipping on the Great Lakes has been dominated by the movement of large quantities of few bulk commodities. A high proportion of the bulk commodities such as grain and western coal are not regionally based raw materials. Regionally based commodities such as iron ore are shipped from facilities much closer to the source of the raw material. Increases in demand for western coal, iron ore and grain will likely necessitate the development of additional trans-shipment facilities. Iron ore will continue to be handled at specialized port facilities already developed. With millions already invested, the Duluth-Superior Port is expected to continue the development of more modern transshipment facilities to handle increases in grain and coal movement.

The potential for port development in Sault Ste. Marie lies with the export of bulk commodities regionally based in the Eastern Upper Peninsula. The most frequently mentioned commodities are hay, grain, and forestry products. However, these bulk commodities must be developed to their fullest extent to make exportation by shipping more economical than truck or rail.

The potential for general cargo is more nebulous and less promissing than bulk cargo. Much of the general cargo traffic is becoming more containerized. Ports in Chicago, Detroit, Duluth, Milwaukee, Cleveland and Toledo are all competing for containerized traffic. In addition, there is increasing competition from the railroads in the movement of containers to coastal ports. For example, the Canadian National Railroad is operating a coordinated container service conencting the ports of Chicago, Detroit and Toronto by high speed rail with Montreal and Halifax[9]. The need for additional container port facilities on the Great Lakes is questionable.

The waterfront commercial and service activity with the greatest potential is in ship repair and some ship building. The increase in commercial navigation and the possibility of a permanent extended navigation season will place a maintenance

burden on existing fleets. Sault Ste. Marie is an excellent mid-point location between Bay City, Michigan on Lake Huron, Sheboygan, Wisconsin on Lake Michigan and Duluth, Minnesota on Lake Superior. There are few adequate repair facilities between these points on the Upper Great Lakes.

Sault Ste. Marie has two repair and building enterprises located in the Harbor Area; Ste. Marie Yard and Marine, Inc. and Twin City Dry Dock and Marine. Between these two firms, moderate success has been shown in the repair of commercial vessel, tugs, and U.S. Government vessels. Twin City operates a floating dry dock. According to U.S. Maritime Administration officials, the need for good floating dry dock facilities on the Great Lakes is crucial. The Maritime Administration is able to provide funding for floating dry dock facilities and has been able to initiate barge building. With the proper facilities, personnel, management and equipment, both firms should be able to expand their activities.

COMMERCIAL TOURISM DEVELOPMENT

Commercial activities of all types, more than other activities, are linked to the amount of disposable income in an area. In Sault Ste. Marie, population and unemployment are limiting factors on commercial growth. However the "importation" of dollars from tourism can increase the amount of disposable income beyond the local base population and have a immediate effect on the local economy.

The major elements needed to realize the full potential of tourism include: people, promotion and accomodations. The potential for increased tourist activity to Sault Ste. Marie is discussed in the context of these elements.

People – Between 700,000 to 1,000,000 people visit the Locks annually. Sault Ste Marie has certainly not had a lack of visitors. Figure 11 indicates that nearly 40% of those visitors come from within Michigan with almost 19% from southeastern Michigan. The next major tourist origin is Chicago with nearly 15%. Figure 11 also indicates a strong correlation between tourist origin to Mackinac Island and the Soo Locks.

Figure 12 illustrates the potential percentage increase in tourists if the various Michigan regions were to attract all travelers who: 1) are willing to come to Michigan. For example, if the Eastern Upper Peninsula were able to attract all potential visitors, it would realize at 496% increase in tourism. Although this is the most optimistic picture, it does indicate that with aggressive promotional activities and improved attractions and facilities, the area has excellent growth potential. It is true that tourism is influenced by the availability of energy. Energy shortages from 1974 to 1976 seemed to depress tourism counts. The effect of gas availability during the summer of 1979 will become clearer as the season ends.

As the realization of constrained gasoline supplies and high prices becomes widespread, tourists will be likely to recreate closer to home. With the energy situation, the potential exists to attract Michiganians as well as other Midwesterners who would otherwise travel much further distances for vacation.

Figure 11

DISTRIBUTION OF PRESENT TRAVEL TO SELECTED ATTRACTIONS

Origin	Tahquamenon Falls	Mackinac Island	Soo Locks
S.E. Michigan	30.0%	18.1%	18.8%
East Michigan	14.9	8.1	8.9
West Michigan	14.9	8.2	9.2
Upper Peninsula	2.5	1.4	1.7
Cin.-Day.-Col.	3.2	2.9	2.9
Cle.-Akr.-Tol.	2.2	3.8	3.2
Other Metro Ohio	---	2.5	---
Non-Metro Ohio	5.4	6.9	7.3
Indianapolis	.6	2.4	1.0
Ft. Wayne-S.B.-Ham.	1.3	2.8	2.1
Non-Metro Illinois	5.3	8.1	6.0
Milwaukee	2.2	3.1	2.9
Other Metro Wisc.	1.2	1.8	1.7
Non-Metro Wisc.	2.6	5.3	3.9
Mpls.-St. Paul, Mn.	1.8	3.3	2.4
Tor-Nf-Ham., Ont.	1.9	.9	1.8
Other Metro Ontario	---	.6	3.1
Non-Metro Ontario	.6	1.2	2.4
TOTAL*	100%	99.8%	99.9%

* NOTE: Differences due to rounding

Source: Tourism Development Manual Michigan Department of Commerce

Figure 12

PERCENT OF POTENTIAL TOURISTS FROM ORIGIN

Origin	Region Within Michigan					
	West U.P.	East U.P.	N.W.L.P.	N.E.L.P.	S.W.L.P.	S.E.L.P.
S.E. Michigan	11.5%	15.6%	19.8%	24.5%	23.8%	23.1%
East Michigan	4.8	13.7	15.2	13.9	10.0	9.7
West Michigan	4.8	12.7	15.1	10.2	9.9	9.6
U.P. Michigan	6.6	2.7	1.5	1.8	.5	.5
Cin-Day-Col	5.0	3.1	4.5	5.5	5.6	7.4
Cle-Akr-Tol	5.0	7.4	4.5	5.5	2.9	7.4
Other Metro Ohio	2.7	1.8	2.4	2.9	1.5	2.9
Non-Metro Ohio	7.7	5.2	6.9	8.6	4.5	8.5
Indianapolis	2.0	2.4	1.8	2.2	4.2	2.2
Ft. Wayne-SB-Ham	2.0	2.8	1.7	2.2	3.0	2.1
Non-Metro Ind.	6.2	9.1	5.6	6.9	7.0	3.5
Chicago	11.3	7.2	10.1	5.6	12.8	6.4
Other Metro Ill.	1.6	1.1	.7	.8	.9	.9
Non-Metro Ill.	8.7	4.6	3.5	4.3	5.1	4.9
Milwaukee	2.4	1.6	1.0	1.2	1.4	1.4
Other Metro Wisc.	1.6	1.0	.7	.8	1.0	.9
Non-Metro Wisc.	3.2	2.1	1.3	1.6	1.9	1.8
Mpls-St. Paul-Mn	6.3	1.9	1.2	1.4	.8	.7
Tor-Nf-Ham, Ont	2.9	1.6	1.2	---	1.7	3.2
Other Metro Ont	1.2	.7	.5	---	.7	1.3
Non-Metro Ont	2.6	1.7	1.0	---	.7	1.5
Average County Travel Expenditures	$12,903,357	$35,119,570	$25,645,421	$13,296,067	$36,129,398	$85,571,938
% Increase to Realize Potential	151%	496%	111%	279%	504%	72%

SOURCE: Tourism Development Manual
Michigan Department of Commerce Travel Bureau

Promotion – The promotional aspects of tourism comes in two forms: (1) To attract tourists from their origin or from other points in their vacation destination; and, (2) To encourage a lengthened stay by encouraging visits to other local attractions.

The Chamber of Commerce has initiated efforts to attract more tourists to the Soo. This program is an encouraging beginning. Efforts focused on lenghtening the stay of the visitor are not as apparent.

The tourism potential in Sault Ste. Marie is hindered by the lack of promotion of "second day" or "holdover" attractions. The Michigan Department of Commerce estimates that about $30.00 per tourist is spent daily in Chippewa County. Assuming that approximately 25% of the 700,000 to 1,000,000 annual visitors to the Locks could be induced to stay a second day, this would amount to an additional 5 to 7.5 million dollars spend annually on second day activities in Sault Ste. Marie and Chippewa County. This figure is very conservative since it is based on current visitation rates to the Locks and does not assume increase due to promotional activities, new attractions and the expansion of year-round tourism.

Accomodation – Once the tourist has arrived in the Soo, efforts need to focus on making the visit as pleasant as possible. Currently, obstacles exist which hinder the tourist experience.

The tourist family destined for the Soo may encounter a problem in exiting from I-75. If the Michigan exit is missed, a trip to Ontario will come sooner than expected. If a proper exit is made, little direction is given towards the Locks and associated attractions. Having traveled through town to the Locks, the next problem encountered is parking. After visiting the Locks and nearby curio information or directions regarding other worthwhile attractions is lacking. Pedestrian access to the waterfront is poor and pedestrian walkways are not delineated to attractions such as the Valley Camp, boat tours and historical parks. Finally, the tourist is further confounded by a confusing exit route from the downtown back to I-75.

SITE SUITABILITY AND DEVELOPMENT OPTIONS

The development suitability of each area was determined through the identification of development considerations and the evaluation of site suitability against those considerations. Development considerations include site area, natural conditions, cultural conditions, transportation, and utilities and services. The development suitability evaluation is intended to provide guidance regarding the relative attributes and liabilities of each area.

Following determination of site suitability, alternative development options were formulated and the economic and environmental opportunities and constraints of each development option were evaluated. Similar to the site suitability evaluation, the formulation of development options was intended to provide planning guidance regarding the possible uses of each site. The anticipation of all the opportunities and constraints presented by each option is impossible. However, the evaluation process allowed for comparision of the relative attributes and liabilities of each development option.

The following summarizes the site suitability and development options for each of the areas.

ALGONQUIN AREA

Site Suitability

1. Site Area
    - Sufficient site area available for initial construction and expansion
2. Natural Conditions
    - Appears adequate from most natural resource considerations
    - Subsurface conditions and prevailing winds would require further consideration prior to development of specific use
    - Shoreline stability in several areas questionable

3. Cultural Conditions

- Much of site isolated
- Some residences located to south and west
- Existing Industrial Park and commercial uses located along Easterday
- Site property ownership patterns conducive to acquisition and consolidation of large tracts

4. Transportation

- Rail on site with linkage to Kincheloe
- Ready access to I-75
- Docking facility currently exists, but adequacy undetermined until specific need established
- Internal streets need improvement

5. Utilities and Services

- Sanitary sewers not on site but available from Easterday Avenue
- Municipal water serves western portion of site
- Storm sewers not on site
- Availability of electricity, coal and natural gas felt to be adequate
- Fire station located on Easterday. Other municipal services felt to be adequate

Development Options

1. Heavy Industry

Economic and Environmental Opportunities

- Highway, rail and water transportation accessibility is very good
- Ownership patterns conducive to site consolidation
- Process water available, municipal water and sanitary sewer entendable
- Portion designated industrial district

- Surrounding land use relatively compatible
- Natural resource conditions mostly suitable
- Area zoned heavy industry

Economic and Environmental Constraints

- One site currently under public ownership, acquisition costs could be substantial
- Site development costs would involve extension of water and sewer, storm drainage, and improvements of internal streets.
- Some residential land use located to west and south
- Near shore areas are low-lying and not suitable for development
- Prevailing winds travel across City

2. Light Industry

Economic and Environmental Opportunities

- Highway, rail and water accessibility is very good
- Ownership patterns conducive to site consolidation
- Process water available, municipal water and sewers extendable
- Portion designated industrial district
- Success of existing industrial park could have beneficial affect
- Site area and requirements not as demanding as heavy industry, site acquisition and development could be phased
- Relatively clean uses with less impact on surrounding land use and natural resource conditions

Economic and Environmental Constraints

- Site acquisition and development costs could be substantial, although need for smaller sites could allow phased approach
- Would preclude option of heavy industrial development
- Near shore areas are low-lying and not suitable for development

3. Port Development

Economic and Environmental Opportunities

- Possible redevelopment and expansion of existing coal dock
- Availability of port could be factor in attracting industry
- Could encourage regional export capability
- East-West rail rates well established, spur available to Kincheloe
- Relatively isolated area

Economic and Environmental Constraints

- No current local demand for bulk material transported by ship
- Current bulk export capability from region nonexistant
- Demand for general cargo on trans-shipment facilities undetermined
- Stability of coal dock area undetermined
- Ashmun Bay subject to ice build up

WEST ISLAND AREA

Site Suitability

1. Site Area
   - Sizable parcels not available, largely developed area
2. Natural Conditions
   - Natural conditions generally suitable for development
   - Area to north of power canal and west of bridge has shallow depth to bedrock constraining utility placement
3. Cultural Conditions
   - Land use is mixture of industrial, commercial and residential
   - Property ownership patterns not conducive to consolidation of smaller tracts to larger sites
4. Transportation
   - Rail on-site
   - Internal streets are adequate but access to I-75 is circuitous

5. Utilities and Services

- Area is well served by all municipal utilities and services
- Energy availability, except oil, is felt to be adequate.

Development Options

1. Light Industrial Developemnt

Economic and Environmental Opportunities

- Property ownership patterns in certain areas conducive to parcel consolidation
- Streets and utilities in place east of bridge
- Area zoned for light industry
- Natural resource conditions suitable
- Some existing land use is industrial, buffers to west, north and south

Economic and Environmental Constraints

- Availability of land of usable size questionable.
- Utility placement west of bridge difficult due to shallow depth to bedrock
- Access to I-75 must contend with tourist traffic in summer months
- Central location of industry could add to visual blight
- Four block residental area exists

2. Residential, Commercial and Recreational Development

Economic and Environmental Opportunities

- Housing rehabilitation and redevelopment at higher densities could improve visual image and fulfill housing need
- New housing could place consumers close to CBD
- Recreation development west of bridge would enhance public public accessibility to waterfront. Site south of canal currently leased by City for recreational purposes.
- Streets and utilities in place east of bridge
- Commercial development, largely tourist oriented, would create jobs and influx of dollars

Economical and Environmental Constraints

- Containment and diversion of industry precludes option of industrial expansion
- Ownership patterns within existing residential areas may be obstacles for redevelopment
- Area west of bridge, north of canal, privately owned, public acquisition could be substantial
- Spread of tourist/commercial development may pose nuisances to existing residences

PORTAGE AVENUE AREA

Site Suitability

1. Site Area
   - Largely developed area, vacant parcels not widely available
   - Some areas suitable for redevelopment exist
2. Natural Condition
   - Natural conditions generally suitable for development
3. Cultural Condition
   - Ownership patterns are small parcels under multiple ownership
   - Land use is mixture of public, commercial, and residential
4. Transportation
   - Poor access to I-75
   - Internal streets adequate
5. Utilities and Services

   Area well served by municipal utilities and services

Development Options

1. Commercial/Tourist Enhancement and Redevelopment (only alternative considered given existing conditions and development)

   Economic and Environmental Opportunities

   - Increased commercial/tourist activity will have direct benefit to local economy through increase in income and jobs

- Many attraction in place but need improvement and promotion
- Demand for commerical properties could increase property values and local tax revenues
- Commercial/tourist uses are consistant and compatible with existing land use

Economic and Environmental Constraints

- Capital outlay for improvements will be needed
- Additional marginal economic activities could be attracted
- Downtown parking and traffic circulation needs improvement
- Tourism subject to fluctuations due to economy and energy shortages
- Additional traffic and congestion generated, thereby inconveniencing local residents

HARBOR AREA

Site Suitability

1. Site Area
   - Sufficient site area for construction, expansion and redevelopment
2. Natural Condition
   - Natural resource condition generally suitable
   - Eastern portion may be subject to flood risk
   - Subsurface condition and bearing loads, due to predominance of filled lands, require further investigation prior to development of specific uses
3. Cultural Condition
   - Area mixed with vacant land, commercial, industrial, and residential land use
   - Area visibly located along main arterial
   - Ownership patterns conducive to acquisition and consolidation of large tracts
4. Transportation
   - On-site rail not available
   - Water access is excellent
   - Poor proximity to I-75, must travel through town

- Frontage road in adequate condition

5. Utilities and Services

   - Area adequately served by municipal utilities and services

Development Options

1. Heavy Industrial Development

   Economic and Environmental Opportunities

   - Many vacant and under-utililized properties
   - Area served by all utilities, process water available
   - Access from and frontage on Portage/Riverside an asset
   - Deepwater slips available
   - Area predominantly zoned for heavy industry
   - Prevailing winds would not affect city

   Economic and Environmental Constraints

   - Vacant parcels not sufficiently large requiring consolidation with adjacent sites
   - Rail service abandoned, accessibility to I-75 poor
   - Incompatible with surrounding residentail and commercial land use
   - Industry could contribute to further visual deterioration of area along waterfront
   - Some degree of flood risk to eastern portion of area
   - Stability of filled areas require evaluation before specific use in proposed

2. Light Industrial Development

   Economic and Environmental Opportunities

   - Vacant and underutilized parcels of sufficient size
   - Area served by all utilities
   - City has been more successful in attracting light industry
   - More compatible with surrounding land use
   - Access from and frontage on Portage/Riverside an asset

Economic and Environmental Constraints

- Rail service abandoned, accessibility to I-75 poor
- Although not as severe as heavy industry, could preclude options of enhancing visual image of waterfront

3. Port Development

Economic and Environment Opportunities

- Availability of port could be factor in attracting industry
- Could encourage regional export capability
- Activity would not be as detrimental to surrounding land use or heavy industry
- Ice build up not a problem in this case

Economic and Environment Constraints

- Site size and availability questionable
- No current demand for bulk material transported by ship
- Current bullk export capability from region nonexistant
- Area not served by rail
- If materials were transported by truck, access to I-75 is poor
- Area not linked to Kincheloe, Algonquin or Industrial Park

4. Waterfront Commerical and Service Development

Economic and Environmental Opportunities

- Existing ship repair facilities in place and many other similar waterfront commercial uses also existing
- Vacant and under-utilized parcels conducive to smaller waterfront commercial and service activities
- Expanded public and private marina and waterfront recreational facilities could enhance recreational attributes of waterfront, increase public access, and increase tourism potential
- No other areas available within City for this type of activity

- Largely compatible with surrounding land use
- Could improve visual image of waterfront

Economic and Environmental Constraints

- Lack of proximity from and linkage to Portage Avenue commercial/tourist
- Would preclude option of more intensive development

4

Coastal Area Management Plan

COASTAL AREA MANAGEMENT PLAN

The profile of coastal area economic, natural, cultural and institutional resources along with the evaluation of site suitability, and development potential and options serves as the basis of the Coastal Area Management Plan. The Management Plan is intended to establish a common direction and broad framework for future coastal area use and development. The Management Plan is presented in three major components including Development Goals and Objectives, Development Plan, and Implementation Strategies.

DEVELOPMENT GOALS AND OBJECTIVES

The overall goal of Sault Ste. Marie's coastal area development efforts should be to best utilize coastal resources so as to provide employment and income for city residents and to stimulate investment in the coastal area and surrounding region. This goal should be tempered by the fact that the coastal area can contribute to the satisfaction of other important needs of city residents. The resources of the coastal area are sufficient to allow for industrial and commerical/tourist development as well as enhanced recreational opportunity and accessibility to the waterfront.

To realize the full beneficial aspects of coastal area development, the specific objectives of the Coastal Area Management Plan are as follows:

(1) Organize a coordinated effort with a specific chain of command with responsibility for economic development activities in Sault Ste. Marie.

(2) Establish a coastal area development plan to coordinate development activities and direct uses to the most beneficial and feasible locations.

(3) Establish development priorities so that scarce public and private resources can be put to the best use.

(4) Foster an improved community self-image thereby creating a climate conducive to economic development.

(5) Mitigate further deterioration of the commercial and industrial base.

DEVELOPMENT PLAN

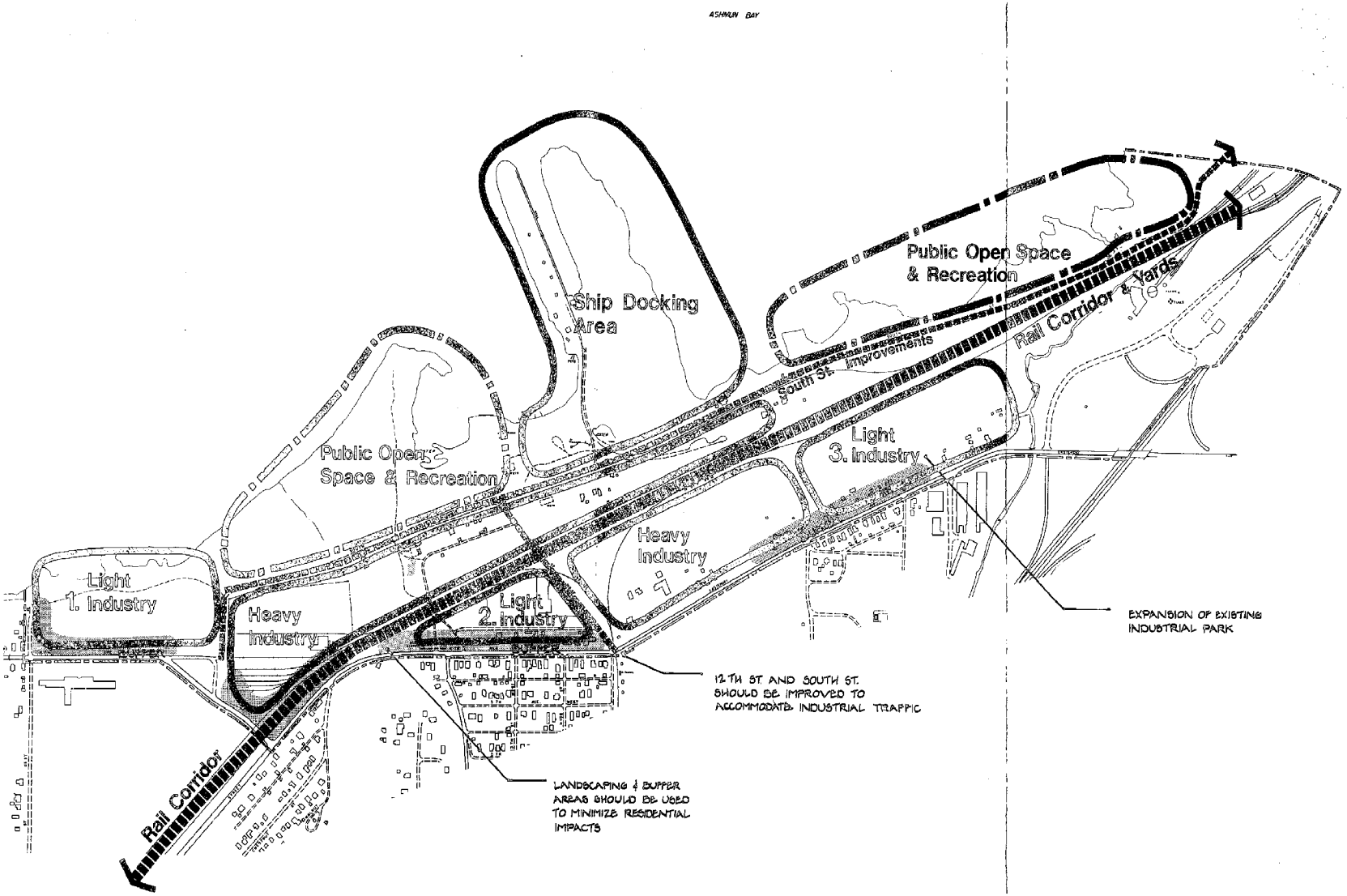
An important component of the coastal area management program is to establish the most appropriate uses of coastal land and water resources. The recommended uses are based upon site development suitability and selection of the development option or combinations of options presented in the last section. The location of the recommended uses are intended to be generalized. The recommended Development Plan is presented graphically in Maps 11 through 14 and described by study area below.

ALGONQUIN AREA

The Algonquin Area represents a desirable waterfront location for industrial development. Proximity to the Industrial Park, availability of rail and docking facilities, access to I-75, and reasonable isolation from the rest of the City are definite site assets.

The Plan calls for the development of a mixture of heavy and light industry. The prospect for heavy industrial development in the near-term is not likely unless Algoma Steel can be encouraged to make a committment. However, long-range promotional efforts should aim at securing a large industrial use for the site.

The opportunity for continuing success in the attraction of light industry is more promising. Three areas are programmed for light industrial development. Site 1 encompasses approximately 16 acres with the prospect of frontage on Easterday. Site 2 is approximately 8 acres, a portion of which is currently being developed as a Veneer Plant. Both sites contain existing residential development thereby complicating acquisition. Site 1 includes a church property which is not included in industrial expansion plans. However, the sites can be developed in a manner utilizing frontage on Easterday and 4th Avenues to facilitate utility connections and street accessibility. A third light industrial area of about 20 acres, Site 3, should receive low development priority due to proximity to existing residences to the west and the school to the south and isolation from the existing Industrial Park.



MAP 11

algonquin area

DEVELOPMENT PLAN

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The existing docking facility is set aside to serve a potential industry user at the Algonquin site. Since rail access is available, the docking facilities could also serve industries at Kincheloe. Should the development of a commercial port prove feasible in the future, a location at the existing docking facility is possible.

The low lying areas near the shoreline on the eastern and western portion of Algonquin can not be developed without extensive filling and site modification. Both areas should be preserved in an undeveloped state preferably as public open space.

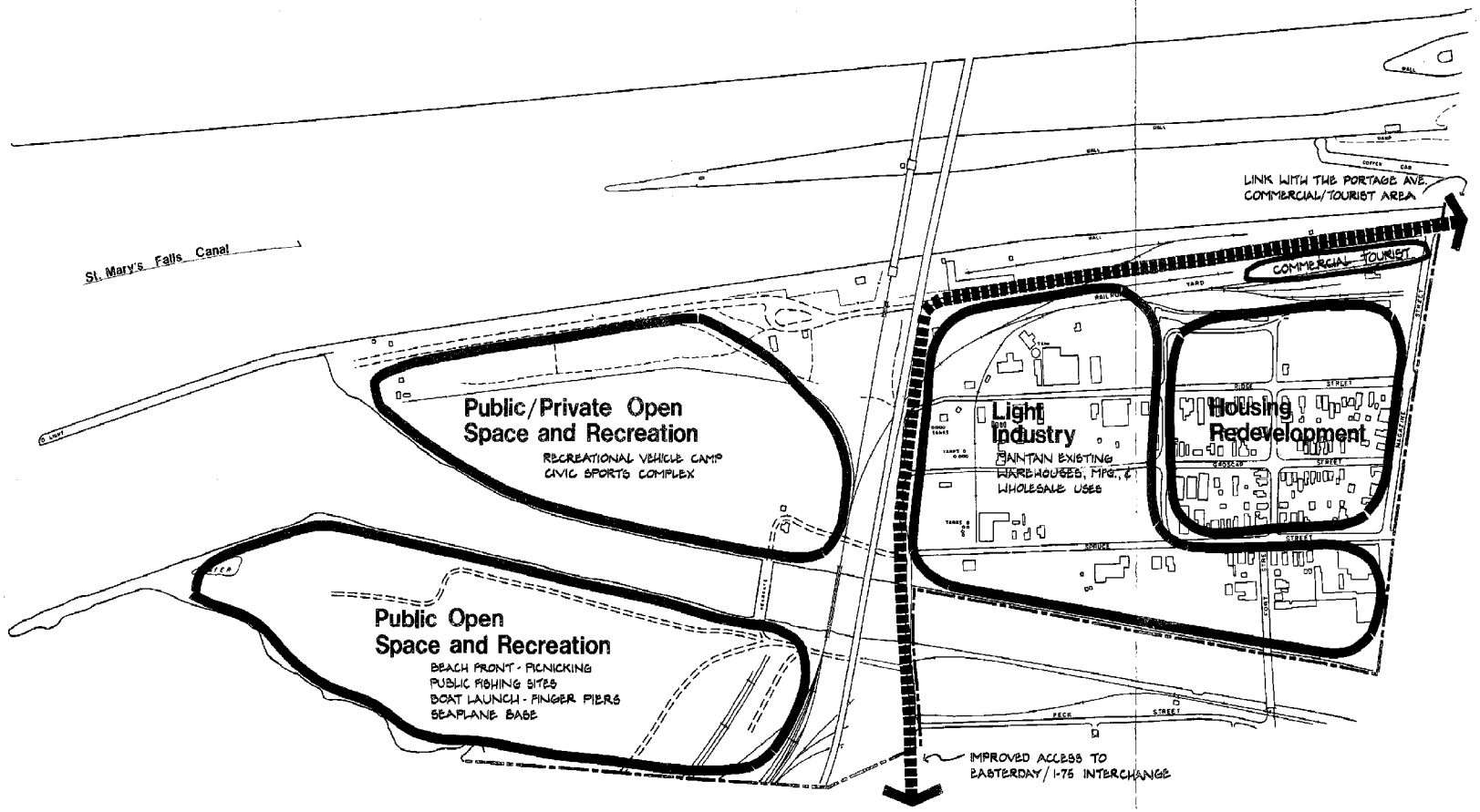
WEST ISLAND AREA

The Development Plan for the West Island Area calls for a mixed use concept of containing existing light industrial areas, redevelopment of housing areas, promotion of commercial/tourist activities, and the provision of waterfront recreation.

Expansion of existing industry in this area is not desirable due to the central location of the area and the lack of sizeable areas for additional development. Light industrial and warehousing units should be contained in existing areas.

The improvement of existing housing areas would enhance the visual image of the area. Redevelopment at higher densities would fulfill a citywide need for improvement in housing conditions close to employment and commercial activities in the downtown area.

The existing program for the development of Ashmun Bay Park coupled with development constraints afforded by the site north of the power canal, indicate that the area west of the International Bridge would be best devoted to public and private recreational development. Recreational uses for Ashmun Bay Park could include boat launches and supporting facilities, fishing sites, and passive activities. There has also been some interest in establishing a seaplane base in Ashmun Bay. Given bedrock conditions at the site north of the canal, more intense urban development with public sewer and water can only take place if bedrock was removed, or the site was filled to accomodate utility placement. Unless a



MAP 12

west island area

DEVELOPMENT PLAN

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proposed use can insure an investment return justifying the site development costs, public and private dollars would be best devoted to a more suitable site. A complementary use which would not preclude future development opportunities would be public or private recreation.

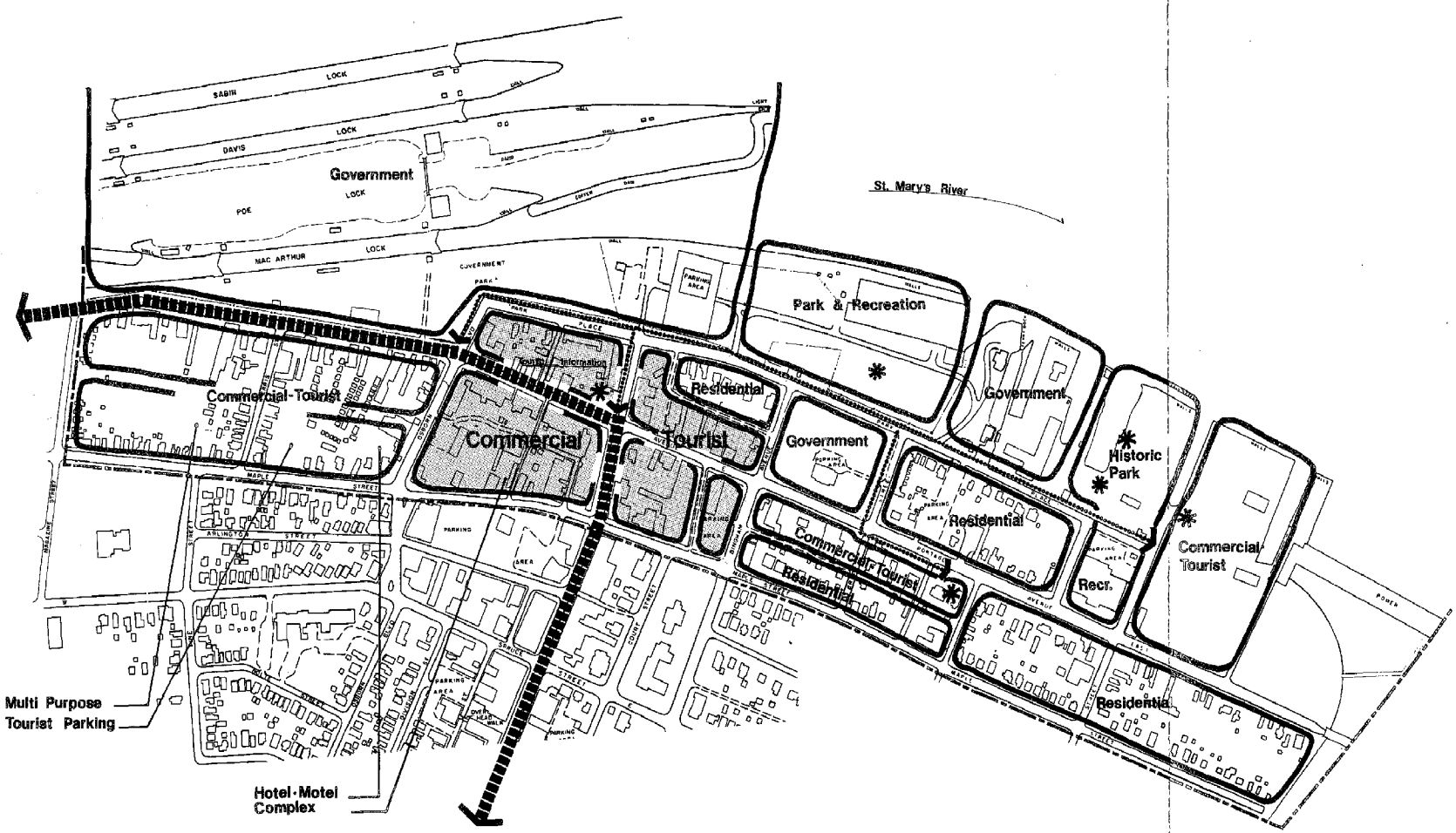
A major transportation improvement is recommended through the West Island Area with the linkage of I-75 and Easterday Avenue with Portage Avenue. The development of such an artery would facilitate the movement of traffic to and from the Portage Avenue area, Soo Locks, and associated attractions.

PORTAGE AVENUE AREA

The Portage Avenue Area contains most of Sault Ste. Marie's tourist attractions commercial/tourist activities, and historical resources. The importance of this sector of the economy has been discussed previously. Development planning promotes the enhancement of this area as a tourist/commercial complex through: historic restoration, parking and circulation improvements, commercial and storefront renovation, improved tourist services and interpretive facilities, and the location of a hotel/motel complex.

The cultural and economic significance of Sault Ste. Marie's heritage should not be overlooked. A number of dedicated historical sites are located within the Portage Avenue Area. There are still other historical resources that have been allowed to deteriorate or are overshadowed by surrounding conditions. Historic restoration will have a very positive effect on tourist/commercial activities in the Area. Other Michigan cities (eg. Marshall, Holland, Frankenmuth) have capitalized upon their heritage to boost tourism.

Past studies (eg. Historic Sault Ste. Marie. Frank and Stein Associates) have recommended designation of the area as a historic development zone. In addition, a very detailed inventory of historical resources was conducted in 1978 under the Historic American Engineering Record Program of the US Heritage Conservation and Recreation Service. Both studies have generated sufficient information to guide historic restoration in the Portage Avenue Area. No attempt will be made to add to those plans other than to indicate that a historical theme would be quite



Legend

- ✱ Tourist Attractions
- ■■■■ Auto Access to CBD
- ■■■■ Pedestrian Routes

MAP 13

portage ave. area

DEVELOPMENT PLAN

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compatible with enhancement of the area for tourism.

Tourist activities are currently hindered in this area by a lack of information services and pedestrian linkage of attractions and parks. The location of a information center at the corner of Portage and Ashmun Steets would have multiple purposes: provide a centrally located tourist information and service center to serve pedestrian traffic, provide a linkage of Portage Avenue and Ashmun Street commercial areas, and remove one of the most unsightly uses in the downtown area.

The development of a major pedestrian corridor along Park Place would link the Locks and associated tourist/commercial activities with historical sites, Mariner Park and nearby tourist attractions. Park Place already offers a pleasant pedestrian environment. Through signage and delineation of a pedestrian walkway, a pedestrian corridor could be developed at minimal cost. Minor corridors could be developed to provide linkage with other significant tourist features, parks and waterfront access, and the tourist information center.

Traffic circulation and parking is a major problem in the area. The development of the road improvement through the West Island Area would provide a more reasonable flow of traffic to and from the I-75/Easterday Avenue Interchange. Parking areas located at the rear of Portage Avenue businesses should be developed in such a manner so as to serve multiple purposes , including parking, restroom and rest area facilities, and additional commercial activity.

There is a need for visual improvement of many businesses along Portage Avenue, particularly between Osborn and Ashmun Streets. Storefront improvements should be developed along a historical theme. As the economic vitality of the area improves through increased promotion, it is conceivable that marginal commercial uses would either be upgraded or replaced. In addition, the area would be generally enhanced by the relocation of existing industrial and warehousing activities.

A major stimulant to the Portage Avenue Area and entire Sault Ste. Marie economy would be the location of a hotel/motel complex in close proximity to both Portage

Avenue, Ashmun Street and the Locks. The majority of centrally located motel/hotel facilities are in need of modernization, and lack of a full range of services. A hotel/ motel complex would have positive spill-over effects on the remainder of the downtown area by bringing in additional tourist dollars. Further, the City's small convention business could be greatly boosted through the availability of quality accomodations. Special arrangements could be made between Lake Superior State College and a hotel/motel complex to promote conventions and seminars to serve business, government and educational groups.

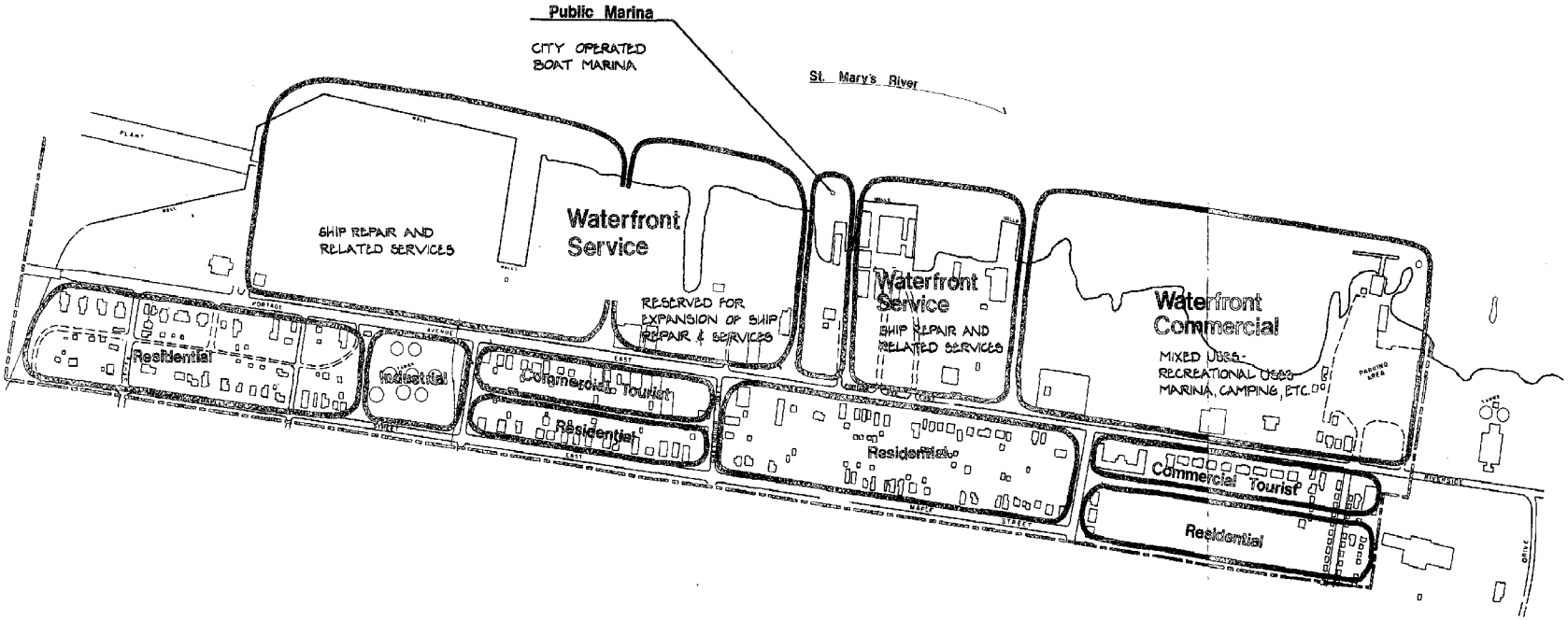
HARBOR AREA

The Harbor Area is the prime area in Sault Ste. Marie for waterfront accessibility. The planning concept for the area is development of waterfront service and commercial activities. Only uses requiring waterfront proximity and accessibility should be promoted in this area. Further, due to location, surrounding land use, and visual consideration, the location of heavy industry is not desireable.

The existing ship repair facilities are compatible uses for this area. With aggressive promotion and management, ship repair activities could be greatly expanded. Sufficient space is also available on the City-leased site for temporary storage of ship cargo. An additional site to the east is planned should waterfront service activities generate the need for additional space. The existing U.S. Steel facility is also a compatible waterfront service activity.

The eastern portion of the Harbor Area is designated as waterfront commercial to be promoted as a mixture of private marine and boat repair facilities, tourist facilties and related waterfront uses. The development of a public marina at the old Coast Guard Station is a complementary use to the planning concept to be promoted for this area.

Throughout the Harbor Area, a number of properties are unsightly. These uses detract from the visual aesthetics of the area and the promotion of high quality waterfront service and commercial uses.



MAP 14

harbor area

DEVELOPMENT PLAN

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IMPLEMENTATION STRATEGIES

The Development Plan serves as the guiding framework for future land and water use decisions in the coastal area. However, specific implementation strategies are proposed to transform the plan from a static to a dynamic document.

As is pointed out in the EDA Title IX Application for Chippewa County, sufficient incentives will have to be offered to private investors to overcome either the real or perceived disadvantages of location in the Sault Ste. Marie Area. It has also been noted that the availability of local revenues is limited. Given the above constraints, scarce funds should be expended in the most beneficial manner. Further, it is evident that only a coordinated effort of the City, County, Region, State and Federal agencies will be successful in achieving the desired level of growth and private investment in the City and surrounding area.

No attempt is made to pinpoint programs for every parcel of coastal property. The intent here is to identify major programs and projects which can be instrumental in stimulating economic development activity. Following a brief description of the program or project is an indication of time frame for implementation, estimated cost and possible sources or mechanisms of funding. Time frame is designated as short-term (1-2 years) or long-term (2-10 years). Costs are estimated from best available information and are only meant to provide guidance. An asterisk beside a cost estimate indicates that more detailed cost information is contained in Appendix 1. Federal and state funding sources and mechanisms are described in Appendix 2.

GENERAL STRATEGIES

(1) Project/Program: Coordination of Development Activities

Description: The local political and governmental atmosphere plays an important role in influencing the impression that a prospective investor forms of an area. As discussed in a previous section of this Report, economic

development activities in Sault Ste. Marie are complex and fragmented among a variety of public agencies and commissions and private organizations.

The success of the City to effect positive economic change is closely tied to the type of economic development organization, its leadership, and the community support it receives. With economic conditions as they are, the need to "pull together" in Sault Ste. Marie is essential.

It is recommended that Sault Ste. Marie provide for better coordination of economic and community development activities among local, county and regional organizations, both public and private. The purpose of this action would be to:

- Better promote the total attributes of the community
- Provide more efficient lines of communication to the City Administration and Commission
- Improve coordination with the County E.D.C., E.U.P.R.P.D.C., State and Federal Agencies.
- Improve coordination and support from such groups as the Chamber of Commerce, local merchants, Lake Superior College, etc.
- Increase the capability to coordinate and package financial resources to prospective investors.

Time Frame: Short-term
Estimated Cost: Minimal
Funding: Local

(2) Project/Program: Community Economic Data Base and Profile

Description: As has been mentioned previously, prospective investors can be influenced by their impression of the organization of local development efforts. The ability to provide factual information regarding the community, to a prospect in a timely and professional manner is important. Frequently, a prospect will want to know information such as the labor base and available skills, local bank financing capabilities, electric power availability, housing

conditions, local schools, and other pertinent concerns. This information should be available.

A great deal of factual data regarding Sault Ste. Marie now exists but is not organized in a retrievable or usable manner. It is recommended that an economic data base file be organized and maintained.

The second component of this program is the preparation of a Community Profile fact sheet to be used for economic development promotion. Such a fact sheet would contain basic information about Sault Ste. Marie's location, economy, climate, services and utilities, recreational amenities, transportation systems and other pertinent data.

Time Frame: Short-term
Estimated Cost: $10,000
Funding: Local, EDA Technical Assistance Program

(3) Project/Program: Local Business Assistance

Description: Observations have been made that many commercial and industrial enterprises are marginally productive. Further, managerial and marketing skills in locally owned and operated businesses have been criticized. Sault Ste. Marie can ill afford to lose jobs if help can be provided. Existing local business should not be ignored in an effort to attract new business. Some local businesses could not only be improved but perhaps expanded with technical guidance and assistance.

In the context of reorganized development activities, as per General Strategy #1, it is recommended that a full time position be created to provide whatever assistance is needed to keep local businesses viable and enhance productivity. The overall purpose of this position would be to provide needed assistance to existing businesses to prevent the further loss of jobs. Specific activities may include the coordination among business groups, management assistance, assistance in training programs with the Skill Center and Lake Superior State

College, and research and assistance in government loans and grants directed toward small or minority-owned businesses.

Time Frame: Short-term
Estimated Cost: $20,000 per year*
Funding: Local, EDA Technical Assistance Program

INDUSTRIAL DEVELOPMENT

(1) Project/Program: Industrial Park Expansion, Algonquin Area

Description: The IEDC has stated the need for additional space for the industrial park. It is recommended that the area designated as Light Industry Site I in the Algonquin Area Development Plan receive priority consideration. Although acquisition of private properties might be a problem, the site offers many attributes which would be beneficial to site development: frontage on Easterday, ready accessibility to utilities, rail access to the rear, and level topography. Acquisition of residential properties along Easterday are first priority. Acquisition of the church property is not included in the industrial park expansion. It is estimated that the site could provide 4-4 acre lots with 300 foot frontage.

Time Frame: Short-term
Estimated Cost: $440,000*
Funding: HUD Urban Development Action Grants, EDA Grants and Loans for Public Works and Development Facilities, EDA Title IX Funds

(2) Project/Program: Heavy Industrial Development, Algonquin Area

Description: The key to the long term industrial prospect for the Algonquin Area is the disposition of the property owned by Algoma Steel under the name of Cannelton Industries, Inc. The industrial potential of the property is irrelevant until Algoma reveals development plans, if any exist. Numerous discussions have been held in the past with Algoma officials, and, through the

action of the City Commission, an industrial development district was created last year . To date, there has been no indication of the development plans of Algoma Steel.

It is recommended that there be a concerted effort by the City to encourage Algoma Steel's development of the property. A cooperative partnership between the City and the current owners may be desirable. Discussions should be held between City and Algoma officials to explore possible incentives to develop the property, perhaps through federal/private cooperative economic assistance programs (ie: Urban Development Action Grants). At a minimum, the City should strive for an agreement of the "right of first purchase."

Time Frame: Short-term
Estimated Cost: Not applicable
Funding: Not applicable

(3) Project/Program: Industrial Promotion

Description: Industrial development promotion efforts rely on two things: (1) there has to be something to sell; and, (2) there has to be a program and people to sell it. Coordination of economic development activities, development of a community data base and profile and resolution of future industrial park location are essential decisions that must be made to provide a tangible product to sell.

Upon resolution of the above issues, it is recommended that Sault Ste. Marie embark upon a broadly based industrial promotion effort. The program should consist of the following components:

(a) To build a base of community support and promote an image of an active unified community, volunteers from various sectors of the community should be sought to assist the current industrial development recruiter and the IEDC. Representatives should be enlisted from the Chamber of Commerce, Lake Superior State College, management personnel from local businesses and financial institutions, and public

officials. The purpose of these volunteers would be to lend support in industrial promotion efforts through personal contact and communication.

(b) Promotion efforts should concentrate on those industrial sectors with growth potential. Figure 7 on page 36 and Figure 10 on pages 39 and 40 are intended to offer guidance but not dictate promotion efforts. Manufacturing directories, trade publications and business contacts should be consulted to identify specific business prospects by name. Attendance and booths at industrial trade shows are also an effective means of identifying prospects.

A complete listing and descriptive file should be prepared for each prospective industry, singling out those which should receive priority attention. Figure 6 on page 32 suggests a number of site and location factors in priority of importance. Efforts should be directed at discovering the site and location factors of the more specific industries so that promotion can be tailored to address those factors.

(c) Selective advertising should be directed at trade publications serving the selected growth industries. Advertisements should be written in a manner emphasizing the site and location factors of most concern to the selected industries.

(d) Contact with specific industries should first be made by a well prepared letter with a community profile enclosed (as per General Strategy #2). Follow-up communication should come not only from the professional industrial developer but from recruited volunteers. The letter should be directed at an industry's specific needs and how Sault Ste. Marie is able to meet those needs.

(e) Any interest shown by prospective industries should be pursued, but with the utmost in confidentiality. The sensitivity of an industry looking for a new location must be respected. Again, recruitment volunteers assistance should be used in encouraging a prospect to visit the area and

facilities.

(f) When and if a serious prospect comes forth, a consolidated development program (as per General Strategy #1) will facilitate the packaging of both tangible and intangible incentives needed to secure location in Sault Ste. Marie.

Time Frame: Long-term
Estimated Cost: $50,000 per year
Funding: EDA Technical Assistance Program

TOURIST/COMMERCIAL DEVELOPMENT

(1) Program/Project: Park Place Pedestrian Corridor

Description: The linkage of the Soo Locks with Brady Park, Mariner Park, the Valley Camp and boat tours is best achieved by a pedestrian corridor down Park Place. The Park Place corridor contains many significant reminders of the Soo's heritage from the Locks and Brady Park down to Mariner Park. While past studies have recommended closing of Park Place to vehicular traffic, a more modest approach of signage and designated walkways are recommended. Visitors to the Locks can be directed to Park Place by signs strategically located along Portage Avenue and Osborne Blvd. There are currently several historical markers along Park Place which would offer convenient spots for additional landscaping and bench placement. Further, the corridor should be linked through signage to the visitor information center and other attractions.

Time Frame: Short-term
Estimated Cost: $12,700*
Funding: Local, NEA Promotion of Arts, Architecture, Planning and Design Program

(2) Project/Program: Multi-Use Parking Facility

Description: Parking problems associated with the Locks and Portage Avenue would be alleviated with the construction of parking facilities in the vicinity of Magazine, Ferris and Osborn Streets, between the rear of Portage Avenue businesses and Maple Street. A 100-car lot would require a site of approximately 1 acre. Multi-use of parking facilities is recommended with restrooms, information stands, and refreshment and vendor stands.

Feasibility studies will be required prior to implementation. Optimal location will require property acquisition and possible relocation of some residents. Financial participation of the Corps of Engineers should be explored.

Time Frame: Long-term
Estimated Cost: $495,000*
Funding: Local, Corps of Engineers

(3) Project/Program: Portage Avenue – I-75/Easterday Avenue Connection

Description: The poor access of I-75 to Portage Avenue has been discussed previously. To facilitate traffic flow and improve accessibility to I-75, it is recommended that Eureka Street be extended to Portage Avenue within the International Bridge right-of-way. The project would require approximately 600 feet of pavement with curbs and gutters and new signage to direct the traffic flow.

Time Frame: Long-term
Estimated Costs: $77,000*
Funding: Local

(4) Project/Program: Tourist Information and Service Center

Description: A strategically located information center is needed to accomodate tourists, provide information, and promote areawide attractions. Such a facility would be similar to the current Chamber of Commerce

facility. However, relocation and expansion of services would better serve the community, tourist industry, and visitors to the Soo. A recommended location would be in the vicinity of Portage Avenue and Ashmun Street. This location would promote a linkage between the two commercial areas.

Time Frame: Short-term
Estimated Cost: $85,000*
Funding: Local, Michigan Travel Bureau, UGLRC Supplemental Grants Program, EDA Title IX Funds

(5) Project/Program: Tourist Promotion

Description: The Chamber of Commerce has initiated a promotion program consisting of selective advertising, answering inquiries, and building a tourist information base. These efforts are encouraging and can provide an excellent base for an expanded program. It is logical that the Chamber should serve as the lead agency of an expanded tourist program. The program should consist of three components; information, advertising and self-improvement:

(a) Information - It is easy to take for granted local resources, even though travelers will find many things of interest in Sault Ste. Marie. However, tourists need to be made aware of areawide attractions beyond the Soo Locks. Visitation of other attractions will keep tourists in the Soo for a longer period of time.

The Economic Development Program prepared by E.U.P.R.P.D.C. points out that the tastes and desires of tourists have become more sophisticated. Tourists may not be able to be attracted to an area with glossy brochures promoting a single attraction.

There is a need to coordinate or package tourist activity information and develop it along a theme or themes for Sault Ste. Marie. The history of the Soo offers tremendous theme potential. Information

should be designed to plan a tourist's day. For example, a trip to the Soo can be promoted as a family adventure that is both educational and entertaining. The Locks, Mariner Park, Boat Tours, and the Valley Camp are common experiences illustrating a part of Great Lakes heritage and economy. These attractions should be promoted as a whole rather than singly.

(b) Advertising - In conjunction with improving information regarding Soo attractions this information must reach the public that is most likely to listen and respond. Selective advertising in newspapers and travel publications should be directed at the regions where the tourists originate. The Chamber of Commerce has already directed much of its advertising to markets with the greatest potential. Selective advertising can also be directed to capitalize on other attractions in Northern Michigan or the Upper Peninsula that people may be visiting. After all, Mackinac Island is only a one hour drive from Sault Ste. Marie.

There is also a need to encourage more coverage by travel reporters from travel publications and metropolitan newspapers. One area in Michigan has taken an aggressive approach to travel promotion. With funds provided by the Michigan Travel Bureau, the Huron Shoreline Tourist Alliance will invite writers from various sporting and travel publications along with tour promotion specialists to tour attractions of the area. Perhaps a similiar approach could be taken in the Soo.

(c) Self-Improvement - Efforts should be directed at improving hospitality. Past reports have indicated a need for "hospitality training" for employers and employees alike. Tourists who have been treated pleasantly are likely to leave an area with a very favorable impression which they will impart to their neighbors and friends back home. Through the initative of the Chamber of Commerce, seminars and workshops should be established through Lake Superior State College to train people the skills of hospitality.

Time Frame: Short-term
Estimated Cost: $50,00 per year
Funding: Local

(6) Project/Program: Hotel/Motel Complex

Description: The attraction of a hotel/motel complex to the Portage Avenue area will require extensive research and promotional effort on the part of the City. It is not known at this time what would be needed to attract such a complex. However, the benefits would be tremendous.

It is recommended that the City Staff in conjunction with the Chamber of Commerce initiate a feasibility study of a possible hotel/motel complex to be located in the downtown area. The purpose of the study would be to:

- Contact motel chains to discuss locational needs and requirements
- Investigate feasible sites and determine necessary physical services and facilities
- Evaluate local public and private financial capabilities and investment potential needs to attract a facility
- Investigate such programs as UDAG as an inducement to location
- Develop the necessary promotional package needed to attract a facility

Time Frame: Long-Term
Estimated Costs: Not applicable
Funding: Not applicable.

(7) Project/Program: Portage Avenue Improvement/Commercial Redevelopment

Description: Many portions of Portage Avenue portray a poor visual impression. Since this is the main tourist corridor, the impression given by this area reflects on the entire City. It is recommended that a program of downtown renovation be undertaken in the Portage Avenue area. Effort

should be made to integrate the area through storefront renovation, streetscaping, lighting and planters along a historical theme.

Strong consideration should be given to establishing a commercial redevelopment district under the Commercial Redevelopment Act, PA 255 of 1978. Act 255 can be used to encourage private investment in new or renovated commercial development through full or partial property tax exemptions on the value of improvements.

At this time, the City is evaluating the creation of a Downtown Development Authority under the Downtown Development Authority Act, PA 197 of 1975. Consideration should be given to the extension of such an authority to the Portage Avenue Area.

Time Frame: Long-term
Estimated Costs: Undetermined
Funding: Commercial Redevelopment Act, Downtown Development Authority, HUD Section 312 Loans, HUD Community Development Block Grants, CSA Community Economic Development.

WATERFRONT SERVICE AND COMMERCIAL

(1) Project/Program: Port Development

Description: The feasibility of port development in Sault Ste. Marie requires further evaluation. Preliminary steps have been initiated between Sault Ste. Marie and Chippewa Countyto establish a Port Authority under the Port Authority Act, PA 639 of 1978. Creation of an authority may facillitate securing funds for feasibility studies of port development.

Such studies should assess the capability of the Soo area to support a port, the potential to divert business from other Great Lakes Ports, needed capital investment, and the benefits of the Port Authority Act, PA 639 of 1978.

Time Frame: Long-term
Estimated Costs: $75,000
Funding: Michigan Department of Transportation, Maritime Administration: Development and Promotion of Ports and Intermedial Transportation

(2) Project/Program: Ship Servicing and Repair

Description: The potential success of ship servicing and repair facilities apppears encouraging. Increased commercial navigation and an extended navigation season will further burden the Great Lakes commercial fleet. The viability of the Harbor Area is dependent upon the success of existing ship repair facilities.

It is apparent the necessary skills are available to the two existing ship repair facilities. However, perhaps technical assistance is needed to improve marketing skills so that business can be expanded. It is recommended that such assistance be provided either by City Staff or Lake Superior College. Assistance should be directed at expanding market, developing promotional materials, and management of personnel and facilities to respond to increased demand.

Time Frame: Long-term
Estimated Costs: Undetermined
Funding: Local, EDA: Business Development Assistance

WATERFRONT RECREATION

(1) Project/Program: Mid-Town Marina

Description: To alleviate the need for a mid-town public marina, the City has made application to acquire the abandoned Lower Coast Guard Station. Development of a marina at this site would not only be beneficial to City residents but to tourist pleasure boaters. A marina would further enhance the Harbor Area as a waterfront service/commercial location.

Time Frame: Long-term
Estimated Costs: $50,000
Funding: HCRS Land and Water Conservation Fund, Corps Small Navigation Projects, UGLRC Supplemental Grants.

(2) Project/Program: Ashmun Bay Park

Description: The City has applied for LAWCON funds to develop the park with picnic area improvements, restroom facilities, security and safety fencing, service roads, parking lot and launch ramp improvements. Ashmun Bay Park should be held in high priority for recreational development given the scarcity of public waterfront recreation. Efforts in the future should concentrate on providing public fishing sites, additional launching ramp and waterfront trails. Further study should be devoted to establishing a Seaplane Base in Ashmun Bay.

Time Frame: Long-term
Estimated Costs: Undetermined
Funding: HCRS Land and Water Conservation Fund

FOOTNOTES

1. A principle source of economic information is the Updated Overall Economic Development Program, Eastern Upper Peninsula Regional Planning and Development Commission; 1977.

2. EDA Title IX Proposal, Chippewa County, EDC

3. Stimulating the Economy of the Great Lakes States, Academy for Contempory Problems, Columbus, Ohio, 1977

4. Ibid

5. Ibid

6. Ibid

7. Ibid

8. "The New Great Lakes Fleet," Business Week, May 18, 1974

9. Great Lakes Basin Framework Study, Commercial Navigation, Appendix C9

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APPENDIX I

Project/Program: Local Business Assistance

Local Business Assistance	=	$15,000
Training and Research	=	5,000
TOTAL COSTS	=	$20,000

Project/Program: Industrial Park Expansion, Algonquin Area

Site Acquisition	=	$120,000
Building Demolition (8)	=	18,000
Site Preparation, Grading	=	250,000
Utility Connection (10)	=	12,000
Engineering and Administration	=	40,000
TOTAL COSTS	=	$440,000

Project/Program: Portage Avenue - I-75/Easterday Connection

Site Preparation, Grading	=	$ 5,000
Engineering and Administration	=	12,000
Construction	=	60,000
TOTAL COSTS	=	$77,000

Project/Program: Park Place Pedestrian Corridor

Directional Signs (6)	=	$ 900
Information Signs (4)	=	1,000
Wood benches (6)	=	4,800
Landscaping	=	2,000
Project Planning and Administration	=	1,000
Construction	=	3,000
TOTAL COSTS	=	$12,700

Project/Program: Multi-Use Parking Facility (100 car lot)

Site Acquisition (1 acre)	=	$240,000
Construction	=	110,000
Project Engineering and Administration	=	35,000
Construction	=	110,000
TOTAL COSTS	=	$495,000

Project/Program: Tourist Information and Service Center

Site Acquisition	=	$ 50,000
Building Restoration	=	25,000
Project Engineering and Administration	=	10,000
TOTAL COSTS	=	$ 85,000

The above costs were developed as follows:

1.) Site acquisition costs were developed from assessment information provided by the City of Sault Ste. Marie.

2.) Construction and material costs were prepared from consultant's experience, the Dodge Guide, and the Estimating Manual prepared by the National Park Service.

3.) Engineering and administration and other personnel items were estimated from consultant's experience.

APPENDIX 2

UNIT: Federal

OBJECTIVE: Economic and Community Development — GRANT PROGRAM SUMMARIES

Program Name	Description	Agency
Urban Development Action Grants	Distressed cities are eligible to receive funds to leverage private investment for commercial or residential developments acquisition, construction, improvement or relocation activities.	Housing and Urban Development
Community Development Block Grants	Grants to assist communities in providing a suitable living environment and expanded economic opportunities, especially for persons of low and moderate income.	Housing and Urban Development
Section 312 - Housing Rehabilitation Loans	Provides direct loans to owners of residential and business properties to finance rehabilitation of property located in urban renewal areas, CDBG areas or Urban Homesteading Areas.	Housing and Urban Development
Community Economic Development	Grants with 10% match are available to local development corporations to provide them with seed money to spur more investment in an area or make a profit for the local development corporation.	Community Service Administration
Small Business Loans	Loans are available to small independently owned and operated businesses that would otherwise be unable to obtain financing for a variety of activities.	Small Business Administration
Economic Opportunity Loans	Loans are available to low income or disadvantaged persons who have lacked the opportunity to start or strengthen a small business and are unable to obtain reasonable financing from other sources.	Small Business Administration

Program Name	Description	Agency
Business Development Assistance	Direct and guaranteed/insured loans are available to businesses that create new or permanent jobs or expand or establish plants in economically depressed areas in projects which cannot be financed through private financial institutions.	Economic Development Administration
Grants and Loans for Public Works and Development Facilities	Grants are available to state, local government, Indian tribes, private nonprofit corporations to construct public facilities required to support proposed long term economic development.	Economic Development Administration
Special Economic Development and Adjustment Assistance Program	Grants available to help state and local areas meet special needs arising from actual or threatened unemployment resulting from economic dislocation or other severe changes in economy.	Economic Development Administration
Grants to States for Supplemental and Basic Funding of Titles I, II, III, IV and IX Activities (304 grants)	Supplemental funds for all EDA programs are made available so governors can select projects. Only business development loans are available to profit-making corporations.	Economic Development Administration
Technical Assistance	Objectives to solve economic growth problems through administrative, demonstrative project grants, feasibility studies, provision of technical information. Assistance given to businesses must be repaired to the government.	Economic Development Administration
Public Works Impact Projects	Program objective is to provide immediate useful work to underemployed and unemployed persons in designated project areas. Grants are available to State and local covernment, Indian tribes, and public and private nonprofit corporations.	Economic Development Administration

UNIT: Federal

OBJECTIVE: Economic and Community Development

GRANT PROGRAM SUMMARIES

Program Name	Description	Agency
Supplemental Grant Program	Supplemental monies to other Federal grant programs provided to implement local development projects when local matching funds are not available.	Upper Great Lakes Regional Commission
Development and Promotion of Ports and Intermodal Transportation	Provides technical assistance to port authorities, governments and private bodies to plan and promote port facilities	Maritime Administration
Promotion of the Arts, Architecture, Planning and Design; Cultural Facilities Program, Livable Cities Program	Provides funds to assist in the planning and design of broad range of cultural facilities	National Endowment for the Arts

UNIT: Federal

OBJECTIVE: Resource Management and Development — GRANT PROGRAM SUMMARIES

Program Name	Description	Agency
Small Navigation Project	Provides funding assistance in the design and construction of navigational improvements including marina, dredging, and breakwaters	U.S. Army Corps of Engineers
Land and Water Conservation Fund	Provides up to 50% funding for local recreational projects	Heritage Recreation and Conservation Service (distributed through Michigan DNR)
Coastal Zone Management	Provides funds to States for a variety of projects in the coastal zone which are consistant with the State Coastal Zone Management Program	Office of Coastal Zone Management (administered by Michigan DNR)

UNIT: State of Michigan

OBJECTIVE: Economic and Community Development GRANT PROGRAM SUMMARIES

Program Name	Description	Agency
Michigan Job Development Authority	Objective is to alleviate and prevent unemployment by providing additional means of financing industrial construction.	Department of Commerce
Employee's Stock Ownership Plan	Companies using this method to finance expansions can raise their investment tax credit by an additional 1%.	Department of Commerce
Plant Rehabilitation and Industrial Development Districts Law (P.A. of 1974: Act #198)	Allows municipalities to establish plant rehabilitation and Industrial Development Districts. Companies locating there are then eligible for liberal tax benefits.	Department of Commerce
Commercial Redevelopment District Act (P.A. of 1978: Act #255)	Allows municipalities to establish Commercial Redevelopment Districts. Companies locating there are then eligible for liberal tax benefits.	Department of Commerce
Tax Exempt Industrial Renveue Financing	Industrial revenue bonds may be issued by a municipality to finance up to 100% of capital improvement costs. These bonds are exempt from Federal income tax and thus cheaper to market than comparable corporate bonds.	Department of Commerce
Michigan's Certified Industrial Parks Program	Issues certification to those Industrial Parks meeting specific requirements; this assures site characteristics for prospective developers and gives them a better idea of what to expect.	Department of Commerce
Economic Development Corporations Act of 1974, as Amended (Act #338)	Allows a community to establish and Economic Development Corporation to create employment and investment opportunities through the renovation of industrial and commercial areas. An EDC may issue revenue bonds and acquire, develop and maintain land, buildings and equipment necessary to implement a project.	Department of Commerce

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